



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB6248

by Rep. Mary E. Flowers

SYNOPSIS AS INTRODUCED:

See Index

Creates the Excellence in Academic Medicine Act of 2013 with provisions similar to those of the Excellence in Academic Medicine Act as it existed before its repeal by Public Act 97-689 and creates special funds in accordance with the new Act. Amends the State Finance Act. Removes provisions added by Public Act 97-691 concerning the maximum amounts of annual unpaid Medical Assistance bills that may be paid in total from future fiscal year Medical Assistance appropriations. Restores provisions concerning fiscal year limitations relating to payments for medical care as those provisions existed before the enactment of Public Act 97-691. Amends the Senior Citizens and Disabled Persons Property Tax Relief Act by reinstating the pharmaceutical assistance program that was eliminated by Public Act 97-689 and changing the short title to the Senior Citizens and Disabled Persons Property Tax Relief and Pharmaceutical Assistance Act. Amends various Acts by restoring various provisions concerning nursing home staffing requirements, the moratorium on the expansion of eligibility for medical assistance, rate reductions and payments for various Medicaid services, vendor enrollment, care coordination, and other matters as those provisions existed before the enactment of Public Acts 97-687 and 97-689. Repeals various provisions added by Public Act 97-689 concerning safety-net hospitals, the elimination and limitation of certain medical assistance services, medical assistance for medically fragile and technology dependent children, and other matters. Effective immediately.

LRB097 22509 KTG 71273 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 ARTICLE 1.

5 Section 1-1. Short title. This Act may be cited as the
6 Excellence in Academic Medicine Act of 2013.

7 Section 1-5. Purpose. This Act is intended to stimulate
8 excellence in academic medicine in Illinois for this and future
9 generations, to elevate Illinois as a national center for
10 academic medicine and for health care innovation in the United
11 States, and to reverse the current health care trade imbalance
12 so that Illinois citizens may obtain highest quality
13 post-tertiary care at home in Illinois.

14 Section 1-10. Findings. Medical research and development
15 is required for placing Illinois health care in the position of
16 national leadership appropriate to Illinois' location and
17 institutional infrastructure. A reduction in the total cost of
18 care for Illinois citizens can be accomplished by an assertion
19 of local medical science leadership, which leads to greater
20 provision of excellent care within the State avoiding
21 out-migration.

1 Excellence in academic medicine must be regarded not as a
2 cost drag on the economy but as a stimulant to economic growth
3 because it reduces the cost of work force replacement, further
4 develops an academic medical center hospital network in
5 Illinois, and stimulates spin-off technological breakthroughs
6 with positive economic consequences.

7 Research and development is an essential strategy for
8 controlling current costs of medical care. Such developments as
9 biologic alternatives to skin for trauma-necessitated
10 grafting, minimally invasive surgery, understanding, managing,
11 and avoiding excessive cerebral vascular events in minority
12 communities, and developments in pediatric eye trauma are
13 fundamental to avoidance of lengthy periods of
14 hospitalization.

15 The General Assembly hereby finds that Title XIX of the
16 Social Security Act has fundamentally changed the structure of
17 medical delivery in the State of Illinois. The failure of
18 Congress to match its desire to broaden access to health care
19 with commensurate fiscal resources has led to a growing burden
20 of Congressional access mandates falling upon the State and its
21 medical provider partners. Development of medical services and
22 research on medical technology is increasingly captive to the
23 Title XIX program and its strait-jacketing fiscal and
24 programmatic limitations. Advanced medical technology is
25 likely to be a successful method of controlling Title XIX
26 expenditures.

1 Section 1-15. Definitions. As used in this Act:

2 "Academic medical center hospital" means a hospital
3 located in Illinois which is either (i) under common ownership
4 with the college of medicine of a college or university or (ii)
5 a free-standing hospital in which the majority of the clinical
6 chiefs of service are department chairmen in an affiliated
7 medical school.

8 "Academic medical center children's hospital" means a
9 children's hospital which is separately incorporated and
10 non-integrated into the academic medical center hospital but
11 which is the pediatric partner for an academic medical center
12 hospital and which serves as the primary teaching hospital for
13 pediatrics for its affiliated medical school; children's
14 hospitals which are separately incorporated but integrated
15 into the academic medical center hospital are considered part
16 of the academic medical center hospital.

17 "Chicago Medicare Metropolitan Statistical Area academic
18 medical center hospital" means an academic medical center
19 hospital located in the Chicago Medicare Metropolitan
20 Statistical Area.

21 "Independent academic medical center hospital" means the
22 primary teaching hospital for the University of Illinois at
23 Urbana.

24 "Non-Chicago Medicare Metropolitan Statistical Area
25 academic medical center hospital" means an academic medical

1 center hospital located outside the Chicago Medicare
2 Metropolitan Statistical Area.

3 "Qualified Chicago Medicare Metropolitan Statistical Area
4 academic medical center hospital" means any Chicago Medicare
5 Metropolitan Statistical Area academic medical center hospital
6 that either directly or in connection with its affiliated
7 medical school receives in excess of \$8,000,000 in grants or
8 contracts from the National Institutes of Health during the
9 calendar year preceding the beginning of the State fiscal year;
10 except that for the purposes of Section 1-25, the term also
11 includes the entity specified in subsection (e) of that
12 Section.

13 "Qualified Non-Chicago Medicare Metropolitan Statistical
14 Area academic medical center hospital" means the primary
15 teaching hospital for the University of Illinois School of
16 Medicine at Peoria and the primary teaching hospital for the
17 University of Illinois School of Medicine at Rockford and the
18 primary teaching hospitals for Southern Illinois University
19 School of Medicine in Springfield.

20 "Qualified academic medical center hospital" means (i) a
21 qualified Chicago Medicare Metropolitan Statistical Area
22 academic medical center hospital, (ii) a qualified Non-Chicago
23 Medicare Metropolitan Statistical Area academic medical center
24 hospital, or (iii) an academic medical center children's
25 hospital.

26 "Qualified programs" include:

1 (i) Thoracic Transplantation: heart and lung, in
2 particular;

3 (ii) Cancer: particularly biologic modifiers of tumor
4 response, and mechanisms of drug resistance in cancer
5 therapy;

6 (iii) Shock/Burn: development of biological
7 alternatives to skin for grafting in burn injury, and
8 research in mechanisms of shock and tissue injury in severe
9 injury;

10 (iv) Abdominal transplantation: kidney, liver,
11 pancreas, and development of islet cell and small bowel
12 transplantation technologies;

13 (v) Minimally invasive surgery: particularly
14 laparoscopic surgery;

15 (vi) High performance medical computing: telemedicine
16 and teleradiology;

17 (vii) Transmyocardial laser revascularization: a laser
18 creates holes in heart muscles to allow new blood flow;

19 (viii) Pet scanning: viewing how organs function (CT
20 and MRI only allow viewing of the structure of an organ);

21 (ix) Strokes in the African-American community:
22 particularly risk factors for cerebral vascular accident
23 (strokes) in the African-American community at much higher
24 risk than the general population;

25 (x) Neurosurgery: particularly focusing on
26 interventional neuroradiology;

- 1 (xi) Comprehensive eye center: including further
2 development in pediatric eye trauma;
- 3 (xii) Cancers: particularly melanoma, head and neck;
- 4 (xiii) Pediatric cancer;
- 5 (xiv) Invasive pediatric cardiology;
- 6 (xv) Pediatric organ transplantation: transplantation
7 of solid organs, marrow, and other stem cells; and
- 8 (xvi) Such other programs as may be identified.

9 Section 1-20. Establishment of Funds.

10 (a) The Medical Research and Development Fund is created in
11 the State Treasury to which the General Assembly may from time
12 to time appropriate funds and from which the Comptroller shall
13 pay amounts as authorized by law. The amount appropriated for
14 any fiscal year after 2014 shall not be less than the amount
15 appropriated for fiscal year 2014.

16 (i) The following accounts are created in the Medical
17 Research and Development Fund: The National Institutes of
18 Health Account; the Philanthropic Medical Research
19 Account; and the Market Medical Research Account.

20 (ii) Funds appropriated to the Medical Research and
21 Development Fund shall be assigned in equal amounts to each
22 account within the Fund, subject to transferability of
23 funds under subsection (c) of Section 1-25.

24 (b) The Post-Tertiary Clinical Services Fund is created in
25 the State Treasury to which the General Assembly may from time

1 to time appropriate funds and from which the Comptroller shall
2 pay amounts as authorized by law. The amount appropriated for
3 any fiscal year after 2014 shall not be less than the amount
4 appropriated for fiscal year 2014.

5 (c) The Independent Academic Medical Center Fund is created
6 as a special fund in the State Treasury, to which the General
7 Assembly shall from time to time appropriate funds for the
8 purposes of the Independent Academic Medical Center Program.
9 The amount appropriated for any fiscal year after 2014 shall
10 not be less than the amount appropriated for fiscal year 2014.
11 The State Comptroller shall pay amounts from the Fund as
12 authorized by law.

13 Section 1-25. Medical Research and Development Challenge
14 Program.

15 (a) The State shall provide the following financial
16 incentives to draw private and federal funding for biomedical
17 research, technology, and programmatic development:

18 (1) Each qualified Chicago Medicare Metropolitan
19 Statistical Area academic medical center hospital shall
20 receive a percentage of the amount available for
21 distribution from the National Institutes of Health
22 Account, equal to that hospital's percentage of the total
23 contracts and grants from the National Institutes of Health
24 awarded to qualified Chicago Medicare Metropolitan
25 Statistical Area academic medical center hospitals and

1 their affiliated medical schools during the preceding
2 calendar year. These amounts shall be paid from the
3 National Institutes of Health Account.

4 (2) Each qualified Chicago Medicare Metropolitan
5 Statistical Area academic medical center hospital shall
6 receive a payment from the State equal to 25% of all funded
7 grants (other than grants funded by the State of Illinois
8 or the National Institutes of Health) for biomedical
9 research, technology, or programmatic development received
10 by that qualified Chicago Medicare Metropolitan
11 Statistical Area academic medical center hospital during
12 the preceding calendar year. These amounts shall be paid
13 from the Philanthropic Medical Research Account.

14 (3) Each qualified Chicago Medicare Metropolitan
15 Statistical Area academic medical center hospital that (i)
16 contributes 40% of the funding for a biomedical research or
17 technology project or a programmatic development project
18 and (ii) obtains contributions from the private sector
19 equal to 40% of the funding for the project shall receive
20 from the State an amount equal to 20% of the funding for
21 the project upon submission of documentation demonstrating
22 those facts to the Comptroller; however, the State shall
23 not be required to make the payment unless the contribution
24 of the qualified Chicago Medicare Metropolitan Statistical
25 Area academic medical center hospital exceeds \$100,000.
26 The documentation must be submitted within 180 days of the

1 beginning of the fiscal year. These amounts shall be paid
2 from the Market Medical Research Account.

3 (b) No hospital under the Medical Research and Development
4 Challenge Program shall receive more than 20% of the total
5 amount appropriated to the Medical Research and Development
6 Fund.

7 The amounts received under the Medical Research and
8 Development Challenge Program by the Southern Illinois
9 University School of Medicine in Springfield and its affiliated
10 primary teaching hospitals, considered as a single entity,
11 shall not exceed an amount equal to one-sixth of the total
12 amount available for distribution from the Medical Research and
13 Development Fund, multiplied by a fraction, the numerator of
14 which is the amount awarded the Southern Illinois University
15 School of Medicine and its affiliated teaching hospitals in
16 grants or contracts by the National Institutes of Health and
17 the denominator of which is \$8,000,000.

18 (c) On or after the 180th day of the fiscal year the
19 Comptroller may transfer unexpended funds in any account of the
20 Medical Research and Development Fund to pay appropriate claims
21 against another account.

22 (d) The amounts due each qualified Chicago Medicare
23 Metropolitan Statistical Area academic medical center hospital
24 under the Medical Research and Development Fund from the
25 National Institutes of Health Account, the Philanthropic
26 Medical Research Account, and the Market Medical Research

1 Account shall be combined and one quarter of the amount payable
2 to each qualified Chicago Medicare Metropolitan Statistical
3 Area academic medical center hospital shall be paid on the
4 fifteenth working day after July 1, October 1, January 1, and
5 March 1 or on a schedule determined by the Department of
6 Healthcare and Family Services by rule that results in a more
7 expeditious payment of the amounts due.

8 (e) The Southern Illinois University School of Medicine in
9 Springfield and its affiliated primary teaching hospitals,
10 considered as a single entity, shall be deemed to be a
11 qualified Chicago Medicare Metropolitan Statistical Area
12 academic medical center hospital for the purposes of this
13 Section.

14 (f) In each State fiscal year, beginning in fiscal year
15 2014, the full amount appropriated for the Medical research and
16 development challenge program for that fiscal year shall be
17 distributed as described in this Section.

18 Section 1-30. Post-Tertiary Clinical Services Program. The
19 State shall provide incentives to develop and enhance
20 post-tertiary clinical services. Qualified academic medical
21 center hospitals as defined in Section 1-15 may receive funding
22 under the Post-Tertiary Clinical Services Program for up to 3
23 qualified programs as defined in Section 1-15 in any given
24 year; however, qualified academic medical center hospitals may
25 receive continued funding for previously funded qualified

1 programs rather than receive funding for a new program so long
2 as the number of qualified programs receiving funding does not
3 exceed 3. Each qualified academic medical center hospital as
4 defined in Section 1-15 shall receive an equal percentage of
5 the Post-Tertiary Clinical Services Fund to be used in the
6 funding of qualified programs. In each State fiscal year,
7 beginning in fiscal year 2014, the full amount appropriated for
8 the Post-Tertiary Clinical Services Program for that fiscal
9 year shall be distributed as described in this Section. One
10 quarter of the amount payable to each qualified academic
11 medical center hospital shall be paid on the fifteenth working
12 day after July 1, October 1, January 1, and March 1 or on a
13 schedule determined by the Department of Healthcare and Family
14 Services by rule that results in a more expeditious payment of
15 the amounts due.

16 Section 1-35. Independent Academic Medical Center Program.
17 There is created an Independent Academic Medical Center Program
18 to provide incentives to develop and enhance the independent
19 academic medical center hospital. In each State fiscal year,
20 beginning in fiscal year 2014, the independent academic medical
21 center hospital shall receive funding under the Program, equal
22 to the full amount appropriated for that purpose for that
23 fiscal year. In each fiscal year, one quarter of the amount
24 payable to the independent academic medical center hospital
25 shall be paid on the fifteenth working day after July 1,

1 October 1, January 1, and March 1 or on a schedule determined
2 by the Department of Healthcare and Family Services by rule
3 that results in a more expeditious payment of the amounts due.

4 Section 1-55. Payment of funds. The Comptroller shall pay
5 funds appropriated to the Post-Tertiary Clinical Services Fund
6 and the Medical Research and Development Fund to the
7 appropriate qualified academic medical center hospitals as the
8 funds are appropriated by the General Assembly and come due
9 under this Act. The payment of all funds under this Act by the
10 State shall be made directly to the academic medical center
11 hospital due the funds, except any funds due to any institution
12 of the University of Illinois as defined in Section 1-15 shall
13 be paid to the University of Illinois at Chicago Medical
14 Center, which shall be bound to expend the funds on the
15 institution due the funds.

16 Section 1-60. Restriction on funds. No academic medical
17 center hospital shall be eligible for payments from the Medical
18 Research and Development Fund unless the academic medical
19 center hospital qualifies under Section 1-15 as a qualified
20 Chicago Medicare Metropolitan Statistical Area academic
21 medical center hospital which in connection with its affiliated
22 medical school received at least \$8,000,000 in the preceding
23 calendar year in grants or contracts from the National
24 Institutes of Health; except that this restriction does not

1 apply to the entity specified in subsection (e) of Section 25.

2 If a hospital is eligible for funds from the Independent
3 Academic Medical Center Fund, that hospital shall not receive
4 funds from the Medical Research and Development Fund or the
5 Post-Tertiary Clinical Services Fund. If a hospital receives
6 funds from the Medical Research and Development Fund or the
7 Post-Tertiary Clinical Services Fund, that hospital is
8 ineligible to receive funds from the Independent Academic
9 Medical Center Fund.

10 Section 1-65. Reporting requirements. On or before May 1 of
11 each year, the chief executive officer of each Qualified
12 Academic Medical Center Hospital shall submit a report to the
13 Comptroller regarding the effects of the programs authorized by
14 this Act. The report shall also report the total amount of
15 grants from and contracts with the National Institutes of
16 Health in the preceding calendar year. It shall assess whether
17 the programs funded are likely to be successful, require
18 further study, or no longer appear to be promising avenues of
19 research. It shall discuss the probable use of the
20 developmental program in mainstream medicine including both
21 cost impact and medical effect. The report shall address the
22 effects the programs may have on containing Title XIX and Title
23 XXI costs in Illinois. The Comptroller shall immediately
24 forward the report to the Director of Healthcare and Family
25 Services and the Director of Public Health who shall evaluate

1 the contents in a letter submitted to the President of the
2 Senate and the Speaker of the House of Representatives.

3 Section 1-70. Restriction on advertising as a State
4 designated center of excellence in health care. A hospital
5 receiving funds under this Act shall not advertise itself to
6 the public or to government or private funding sources as a
7 State designated center of excellence in health care.

8 Hospitals that qualify for funding under this Act are
9 permitted to inform the public and government or private
10 funding sources that they are eligible for State matching
11 funds. If sufficient evidence is found that hospitals are
12 violating this prohibition, the Comptroller may summarily
13 remove them from the program.

14 Section 1-74. Reimbursement methodology. The Department of
15 Healthcare and Family Services may develop a reimbursement
16 methodology consistent with this Act for distribution of moneys
17 from the funds in a manner that would allow distributions from
18 these funds to be matchable under Title XIX of the Social
19 Security Act. The Department may promulgate rules necessary to
20 make these distributions matchable.

21 Section 1-75. Reimbursements or payments by the State.
22 Nothing in this Act may be used to reduce reimbursements or
23 payments by the State to a hospital under any other Act.

1 becomes effective immediately upon filing under Section 5-65 or
2 at a stated date less than 10 days thereafter. The agency's
3 finding and a statement of the specific reasons for the finding
4 shall be filed with the rule. The agency shall take reasonable
5 and appropriate measures to make emergency rules known to the
6 persons who may be affected by them.

7 (c) An emergency rule may be effective for a period of not
8 longer than 150 days, but the agency's authority to adopt an
9 identical rule under Section 5-40 is not precluded. No
10 emergency rule may be adopted more than once in any 24 month
11 period, except that this limitation on the number of emergency
12 rules that may be adopted in a 24 month period does not apply
13 to (i) emergency rules that make additions to and deletions
14 from the Drug Manual under Section 5-5.16 of the Illinois
15 Public Aid Code or the generic drug formulary under Section
16 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii)
17 emergency rules adopted by the Pollution Control Board before
18 July 1, 1997 to implement portions of the Livestock Management
19 Facilities Act, (iii) emergency rules adopted by the Illinois
20 Department of Public Health under subsections (a) through (i)
21 of Section 2 of the Department of Public Health Act when
22 necessary to protect the public's health, (iv) emergency rules
23 adopted pursuant to subsection (n) of this Section, (v)
24 emergency rules adopted pursuant to subsection (o) of this
25 Section, or (vi) emergency rules adopted pursuant to subsection
26 (c-5) of this Section. Two or more emergency rules having

1 substantially the same purpose and effect shall be deemed to be
2 a single rule for purposes of this Section.

3 (c-5) To facilitate the maintenance of the program of group
4 health benefits provided to annuitants, survivors, and retired
5 employees under the State Employees Group Insurance Act of
6 1971, rules to alter the contributions to be paid by the State,
7 annuitants, survivors, retired employees, or any combination
8 of those entities, for that program of group health benefits,
9 shall be adopted as emergency rules. The adoption of those
10 rules shall be considered an emergency and necessary for the
11 public interest, safety, and welfare.

12 (d) In order to provide for the expeditious and timely
13 implementation of the State's fiscal year 1999 budget,
14 emergency rules to implement any provision of Public Act 90-587
15 or 90-588 or any other budget initiative for fiscal year 1999
16 may be adopted in accordance with this Section by the agency
17 charged with administering that provision or initiative,
18 except that the 24-month limitation on the adoption of
19 emergency rules and the provisions of Sections 5-115 and 5-125
20 do not apply to rules adopted under this subsection (d). The
21 adoption of emergency rules authorized by this subsection (d)
22 shall be deemed to be necessary for the public interest,
23 safety, and welfare.

24 (e) In order to provide for the expeditious and timely
25 implementation of the State's fiscal year 2000 budget,
26 emergency rules to implement any provision of this amendatory

1 Act of the 91st General Assembly or any other budget initiative
2 for fiscal year 2000 may be adopted in accordance with this
3 Section by the agency charged with administering that provision
4 or initiative, except that the 24-month limitation on the
5 adoption of emergency rules and the provisions of Sections
6 5-115 and 5-125 do not apply to rules adopted under this
7 subsection (e). The adoption of emergency rules authorized by
8 this subsection (e) shall be deemed to be necessary for the
9 public interest, safety, and welfare.

10 (f) In order to provide for the expeditious and timely
11 implementation of the State's fiscal year 2001 budget,
12 emergency rules to implement any provision of this amendatory
13 Act of the 91st General Assembly or any other budget initiative
14 for fiscal year 2001 may be adopted in accordance with this
15 Section by the agency charged with administering that provision
16 or initiative, except that the 24-month limitation on the
17 adoption of emergency rules and the provisions of Sections
18 5-115 and 5-125 do not apply to rules adopted under this
19 subsection (f). The adoption of emergency rules authorized by
20 this subsection (f) shall be deemed to be necessary for the
21 public interest, safety, and welfare.

22 (g) In order to provide for the expeditious and timely
23 implementation of the State's fiscal year 2002 budget,
24 emergency rules to implement any provision of this amendatory
25 Act of the 92nd General Assembly or any other budget initiative
26 for fiscal year 2002 may be adopted in accordance with this

1 Section by the agency charged with administering that provision
2 or initiative, except that the 24-month limitation on the
3 adoption of emergency rules and the provisions of Sections
4 5-115 and 5-125 do not apply to rules adopted under this
5 subsection (g). The adoption of emergency rules authorized by
6 this subsection (g) shall be deemed to be necessary for the
7 public interest, safety, and welfare.

8 (h) In order to provide for the expeditious and timely
9 implementation of the State's fiscal year 2003 budget,
10 emergency rules to implement any provision of this amendatory
11 Act of the 92nd General Assembly or any other budget initiative
12 for fiscal year 2003 may be adopted in accordance with this
13 Section by the agency charged with administering that provision
14 or initiative, except that the 24-month limitation on the
15 adoption of emergency rules and the provisions of Sections
16 5-115 and 5-125 do not apply to rules adopted under this
17 subsection (h). The adoption of emergency rules authorized by
18 this subsection (h) shall be deemed to be necessary for the
19 public interest, safety, and welfare.

20 (i) In order to provide for the expeditious and timely
21 implementation of the State's fiscal year 2004 budget,
22 emergency rules to implement any provision of this amendatory
23 Act of the 93rd General Assembly or any other budget initiative
24 for fiscal year 2004 may be adopted in accordance with this
25 Section by the agency charged with administering that provision
26 or initiative, except that the 24-month limitation on the

1 adoption of emergency rules and the provisions of Sections
2 5-115 and 5-125 do not apply to rules adopted under this
3 subsection (i). The adoption of emergency rules authorized by
4 this subsection (i) shall be deemed to be necessary for the
5 public interest, safety, and welfare.

6 (j) In order to provide for the expeditious and timely
7 implementation of the provisions of the State's fiscal year
8 2005 budget as provided under the Fiscal Year 2005 Budget
9 Implementation (Human Services) Act, emergency rules to
10 implement any provision of the Fiscal Year 2005 Budget
11 Implementation (Human Services) Act may be adopted in
12 accordance with this Section by the agency charged with
13 administering that provision, except that the 24-month
14 limitation on the adoption of emergency rules and the
15 provisions of Sections 5-115 and 5-125 do not apply to rules
16 adopted under this subsection (j). The Department of Public Aid
17 may also adopt rules under this subsection (j) necessary to
18 administer the Illinois Public Aid Code and the Children's
19 Health Insurance Program Act. The adoption of emergency rules
20 authorized by this subsection (j) shall be deemed to be
21 necessary for the public interest, safety, and welfare.

22 (k) In order to provide for the expeditious and timely
23 implementation of the provisions of the State's fiscal year
24 2006 budget, emergency rules to implement any provision of this
25 amendatory Act of the 94th General Assembly or any other budget
26 initiative for fiscal year 2006 may be adopted in accordance

1 with this Section by the agency charged with administering that
2 provision or initiative, except that the 24-month limitation on
3 the adoption of emergency rules and the provisions of Sections
4 5-115 and 5-125 do not apply to rules adopted under this
5 subsection (k). The Department of Healthcare and Family
6 Services may also adopt rules under this subsection (k)
7 necessary to administer the Illinois Public Aid Code, the
8 Senior Citizens and Disabled Persons Property Tax Relief and
9 Pharmaceutical Assistance Act, the Senior Citizens and
10 Disabled Persons Prescription Drug Discount Program Act (now
11 the Illinois Prescription Drug Discount Program Act), and the
12 Children's Health Insurance Program Act. The adoption of
13 emergency rules authorized by this subsection (k) shall be
14 deemed to be necessary for the public interest, safety, and
15 welfare.

16 (1) In order to provide for the expeditious and timely
17 implementation of the provisions of the State's fiscal year
18 2007 budget, the Department of Healthcare and Family Services
19 may adopt emergency rules during fiscal year 2007, including
20 rules effective July 1, 2007, in accordance with this
21 subsection to the extent necessary to administer the
22 Department's responsibilities with respect to amendments to
23 the State plans and Illinois waivers approved by the federal
24 Centers for Medicare and Medicaid Services necessitated by the
25 requirements of Title XIX and Title XXI of the federal Social
26 Security Act. The adoption of emergency rules authorized by

1 this subsection (l) shall be deemed to be necessary for the
2 public interest, safety, and welfare.

3 (m) In order to provide for the expeditious and timely
4 implementation of the provisions of the State's fiscal year
5 2008 budget, the Department of Healthcare and Family Services
6 may adopt emergency rules during fiscal year 2008, including
7 rules effective July 1, 2008, in accordance with this
8 subsection to the extent necessary to administer the
9 Department's responsibilities with respect to amendments to
10 the State plans and Illinois waivers approved by the federal
11 Centers for Medicare and Medicaid Services necessitated by the
12 requirements of Title XIX and Title XXI of the federal Social
13 Security Act. The adoption of emergency rules authorized by
14 this subsection (m) shall be deemed to be necessary for the
15 public interest, safety, and welfare.

16 (n) In order to provide for the expeditious and timely
17 implementation of the provisions of the State's fiscal year
18 2010 budget, emergency rules to implement any provision of this
19 amendatory Act of the 96th General Assembly or any other budget
20 initiative authorized by the 96th General Assembly for fiscal
21 year 2010 may be adopted in accordance with this Section by the
22 agency charged with administering that provision or
23 initiative. The adoption of emergency rules authorized by this
24 subsection (n) shall be deemed to be necessary for the public
25 interest, safety, and welfare. The rulemaking authority
26 granted in this subsection (n) shall apply only to rules

1 promulgated during Fiscal Year 2010.

2 (o) In order to provide for the expeditious and timely
3 implementation of the provisions of the State's fiscal year
4 2011 budget, emergency rules to implement any provision of this
5 amendatory Act of the 96th General Assembly or any other budget
6 initiative authorized by the 96th General Assembly for fiscal
7 year 2011 may be adopted in accordance with this Section by the
8 agency charged with administering that provision or
9 initiative. The adoption of emergency rules authorized by this
10 subsection (o) is deemed to be necessary for the public
11 interest, safety, and welfare. The rulemaking authority
12 granted in this subsection (o) applies only to rules
13 promulgated on or after the effective date of this amendatory
14 Act of the 96th General Assembly through June 30, 2011.

15 (p) (Blank). ~~In order to provide for the expeditious and~~
16 ~~timely implementation of the provisions of this amendatory Act~~
17 ~~of the 97th General Assembly, emergency rules to implement any~~
18 ~~provision of this amendatory Act of the 97th General Assembly~~
19 ~~may be adopted in accordance with this subsection (p) by the~~
20 ~~agency charged with administering that provision or~~
21 ~~initiative. The 150 day limitation of the effective period of~~
22 ~~emergency rules does not apply to rules adopted under this~~
23 ~~subsection (p), and the effective period may continue through~~
24 ~~June 30, 2013. The 24 month limitation on the adoption of~~
25 ~~emergency rules does not apply to rules adopted under this~~
26 ~~subsection (p). The adoption of emergency rules authorized by~~

1 ~~this subsection (p) is deemed to be necessary for the public~~
2 ~~interest, safety, and welfare.~~

3 (Source: P.A. 96-45, eff. 7-15-09; 96-958, eff. 7-1-10;
4 96-1500, eff. 1-18-11; 97-689, eff. 6-14-12; 97-695, eff.
5 7-1-12; revised 7-10-12.)

6 Section 2-2. The State Comptroller Act is amended by
7 changing Section 10.05 as follows:

8 (15 ILCS 405/10.05) (from Ch. 15, par. 210.05)

9 Sec. 10.05. Deductions from warrants; statement of reason
10 for deduction. Whenever any person shall be entitled to a
11 warrant or other payment from the treasury or other funds held
12 by the State Treasurer, on any account, against whom there
13 shall be any then due and payable account or claim in favor of
14 the State, the United States upon certification by the
15 Secretary of the Treasury of the United States, or his or her
16 delegate, pursuant to a reciprocal offset agreement under
17 subsection (i-1) of Section 10 of the Illinois State Collection
18 Act of 1986, or a unit of local government, a school district,
19 a public institution of higher education, as defined in Section
20 1 of the Board of Higher Education Act, or the clerk of a
21 circuit court, upon certification by that entity, the
22 Comptroller, upon notification thereof, shall ascertain the
23 amount due and payable to the State, the United States, the
24 unit of local government, the school district, the public

1 institution of higher education, or the clerk of the circuit
2 court, as aforesaid, and draw a warrant on the treasury or on
3 other funds held by the State Treasurer, stating the amount for
4 which the party was entitled to a warrant or other payment, the
5 amount deducted therefrom, and on what account, and directing
6 the payment of the balance; which warrant or payment as so
7 drawn shall be entered on the books of the Treasurer, and such
8 balance only shall be paid. The Comptroller may deduct any one
9 or more of the following: (i) the entire amount due and payable
10 to the State or a portion of the amount due and payable to the
11 State in accordance with the request of the notifying agency;
12 (ii) the entire amount due and payable to the United States or
13 a portion of the amount due and payable to the United States in
14 accordance with a reciprocal offset agreement under subsection
15 (i-1) of Section 10 of the Illinois State Collection Act of
16 1986; or (iii) the entire amount due and payable to the unit of
17 local government, school district, public institution of
18 higher education, or clerk of the circuit court, or a portion
19 of the amount due and payable to that entity, in accordance
20 with an intergovernmental agreement authorized under this
21 Section and Section 10.05d. No request from a notifying agency,
22 the Secretary of the Treasury of the United States, a unit of
23 local government, a school district, a public institution of
24 higher education, or the clerk of a circuit court for an amount
25 to be deducted under this Section from a wage or salary
26 payment, or from a contractual payment to an individual for

1 personal services, shall exceed 25% of the net amount of such
2 payment. "Net amount" means that part of the earnings of an
3 individual remaining after deduction of any amounts required by
4 law to be withheld. For purposes of this provision, wage,
5 salary or other payments for personal services shall not
6 include final compensation payments for the value of accrued
7 vacation, overtime or sick leave. Whenever the Comptroller
8 draws a warrant or makes a payment involving a deduction
9 ordered under this Section, the Comptroller shall notify the
10 payee and the State agency that submitted the voucher of the
11 reason for the deduction and he or she shall retain a record of
12 such statement in his or her records. As used in this Section,
13 an "account or claim in favor of the State" includes all
14 amounts owing to "State agencies" as defined in Section 7 of
15 this Act. However, the Comptroller shall not be required to
16 accept accounts or claims owing to funds not held by the State
17 Treasurer, where such accounts or claims do not exceed \$50, nor
18 shall the Comptroller deduct from funds held by the State
19 Treasurer under the Senior Citizens and Disabled Persons
20 Property Tax Relief and Pharmaceutical Assistance Act or for
21 payments to institutions from the Illinois Prepaid Tuition
22 Trust Fund (unless the Trust Fund moneys are used for child
23 support). The Comptroller shall not deduct from payments to be
24 disbursed from the Child Support Enforcement Trust Fund as
25 provided for under Section 12-10.2 of the Illinois Public Aid
26 Code, except for payments representing interest on child

1 support obligations under Section 10-16.5 of that Code. The
2 Comptroller and the Department of Revenue shall enter into an
3 interagency agreement to establish responsibilities, duties,
4 and procedures relating to deductions from lottery prizes
5 awarded under Section 20.1 of the Illinois Lottery Law. The
6 Comptroller may enter into an intergovernmental agreement with
7 the Department of Revenue and the Secretary of the Treasury of
8 the United States, or his or her delegate, to establish
9 responsibilities, duties, and procedures relating to
10 reciprocal offset of delinquent State and federal obligations
11 pursuant to subsection (i-1) of Section 10 of the Illinois
12 State Collection Act of 1986. The Comptroller may enter into
13 intergovernmental agreements with any unit of local
14 government, school district, public institution of higher
15 education, or clerk of a circuit court to establish
16 responsibilities, duties, and procedures to provide for the
17 offset, by the Comptroller, of obligations owed to those
18 entities.

19 For the purposes of this Section, "clerk of a circuit
20 court" means the clerk of a circuit court in any county in the
21 State.

22 (Source: P.A. 97-269, eff. 12-16-11 (see Section 15 of P.A.
23 97-632 for the effective date of changes made by P.A. 97-269);
24 97-632, eff. 12-16-11; 97-689, eff. 6-14-12; 97-884, eff.
25 8-2-12; 97-970, eff. 8-16-12; revised 8-23-12.)

1 Section 2-12. The Personnel Code is amended by changing
2 Section 4d as follows:

3 (20 ILCS 415/4d) (from Ch. 127, par. 63b104d)

4 Sec. 4d. Partial exemptions. The following positions in
5 State service are exempt from jurisdictions A, B, and C to the
6 extent stated for each, unless those jurisdictions are extended
7 as provided in this Act:

8 (1) In each department, board or commission that now
9 maintains or may hereafter maintain a major administrative
10 division, service or office in both Sangamon County and
11 Cook County, 2 private secretaries for the director or
12 chairman thereof, one located in the Cook County office and
13 the other located in the Sangamon County office, shall be
14 exempt from jurisdiction B; in all other departments,
15 boards and commissions one private secretary for the
16 director or chairman thereof shall be exempt from
17 jurisdiction B. In all departments, boards and commissions
18 one confidential assistant for the director or chairman
19 thereof shall be exempt from jurisdiction B. This paragraph
20 is subject to such modifications or waiver of the
21 exemptions as may be necessary to assure the continuity of
22 federal contributions in those agencies supported in whole
23 or in part by federal funds.

24 (2) The resident administrative head of each State
25 charitable, penal and correctional institution, the

1 chaplains thereof, and all member, patient and inmate
2 employees are exempt from jurisdiction B.

3 (3) The Civil Service Commission, upon written
4 recommendation of the Director of Central Management
5 Services, shall exempt from jurisdiction B other positions
6 which, in the judgment of the Commission, involve either
7 principal administrative responsibility for the
8 determination of policy or principal administrative
9 responsibility for the way in which policies are carried
10 out, except positions in agencies which receive federal
11 funds if such exemption is inconsistent with federal
12 requirements, and except positions in agencies supported
13 in whole by federal funds.

14 (4) All beauticians and teachers of beauty culture and
15 teachers of barbering, and all positions heretofore paid
16 under Section 1.22 of "An Act to standardize position
17 titles and salary rates", approved June 30, 1943, as
18 amended, shall be exempt from jurisdiction B.

19 (5) Licensed attorneys in positions as legal or
20 technical advisors, positions in the Department of Natural
21 Resources requiring incumbents to be either a registered
22 professional engineer or to hold a bachelor's degree in
23 engineering from a recognized college or university,
24 licensed physicians in positions of medical administrator
25 or physician or physician specialist (including
26 psychiatrists), and registered nurses (except those

1 registered nurses employed by the Department of Public
2 Health), except those in positions in agencies which
3 receive federal funds if such exemption is inconsistent
4 with federal requirements and except those in positions in
5 agencies supported in whole by federal funds, are exempt
6 from jurisdiction B only to the extent that the
7 requirements of Section 8b.1, 8b.3 and 8b.5 of this Code
8 need not be met.

9 (6) All positions established outside the geographical
10 limits of the State of Illinois to which appointments of
11 other than Illinois citizens may be made are exempt from
12 jurisdiction B.

13 (7) Staff attorneys reporting directly to individual
14 Commissioners of the Illinois Workers' Compensation
15 Commission are exempt from jurisdiction B.

16 (8) Twenty ~~Twenty one~~ senior public service
17 administrator positions within the Department of
18 Healthcare and Family Services, as set forth in this
19 paragraph (8), requiring the specific knowledge of
20 healthcare administration, healthcare finance, healthcare
21 data analytics, or information technology described are
22 exempt from jurisdiction B only to the extent that the
23 requirements of Sections 8b.1, 8b.3, and 8b.5 of this Code
24 need not be met. ~~The General Assembly finds that these~~
25 ~~positions are all senior policy makers and have~~
26 ~~spokesperson authority for the Director of the Department~~

1 ~~of Healthcare and Family Services.~~ When filling positions
2 so designated, the Director of Healthcare and Family
3 Services shall cause a position description to be published
4 which allots points to various qualifications desired.
5 After scoring qualified applications, the Director shall
6 add Veteran's Preference points as enumerated in Section
7 8b.7 of this Code. The following are the minimum
8 qualifications for the senior public service administrator
9 positions provided for in this paragraph (8):

10 (A) HEALTHCARE ADMINISTRATION.

11 Medical Director: Licensed Medical Doctor in
12 good standing; experience in healthcare payment
13 systems, pay for performance initiatives, medical
14 necessity criteria or federal or State quality
15 improvement programs; preferred experience serving
16 Medicaid patients or experience in population
17 health programs with a large provider, health
18 insurer, government agency, or research
19 institution.

20 Chief, Bureau of Quality Management: Advanced
21 degree in health policy or health professional
22 field preferred; at least 3 years experience in
23 implementing or managing healthcare quality
24 improvement initiatives in a clinical setting.

25 Quality Management Bureau: Manager, Care
26 Coordination/Managed Care Quality: Clinical degree

1 or advanced degree in relevant field required;
2 experience in the field of managed care quality
3 improvement, with knowledge of HEDIS measurements,
4 coding, and related data definitions.

5 Quality Management Bureau: Manager, Primary
6 Care Provider Quality and Practice Development:
7 Clinical degree or advanced degree in relevant
8 field required; experience in practice
9 administration in the primary care setting with a
10 provider or a provider association or an
11 accrediting body; knowledge of practice standards
12 for medical homes and best evidence based
13 standards of care for primary care.

14 Director of Care Coordination Contracts and
15 Compliance: Bachelor's degree required; multi-year
16 experience in negotiating managed care contracts,
17 preferably on behalf of a payer; experience with
18 health care contract compliance.

19 ~~Manager, Long Term Care Policy: Bachelor's~~
20 ~~degree required; social work, gerontology, or~~
21 ~~social service degree preferred; knowledge of~~
22 ~~Olmstead and other relevant court decisions~~
23 ~~required; experience working with diverse long~~
24 ~~term care populations and service systems, federal~~
25 ~~initiatives to create long term care community~~
26 ~~options, and home and community based waiver~~

1 ~~services required. The General Assembly finds that~~
2 ~~this position is necessary for the timely and~~
3 ~~effective implementation of this amendatory Act of~~
4 ~~the 97th General Assembly.~~

5 ~~Manager, Behavioral Health Programs: Clinical~~
6 ~~license or Advanced degree required, preferably in~~
7 ~~psychology, social work, or relevant field;~~
8 ~~knowledge of medical necessity criteria and~~
9 ~~governmental policies and regulations governing~~
10 ~~the provision of mental health services to~~
11 ~~Medicaid populations, including children and~~
12 ~~adults, in community and institutional settings of~~
13 ~~care. The General Assembly finds that this~~
14 ~~position is necessary for the timely and effective~~
15 ~~implementation of this amendatory Act of the 97th~~
16 ~~General Assembly.~~

17 Chief, Bureau of Pharmacy Services: Bachelor's
18 degree required; pharmacy degree preferred; in
19 formulary development and management from both a
20 clinical and financial perspective, experience in
21 prescription drug utilization review and
22 utilization control policies, knowledge of retail
23 pharmacy reimbursement policies and methodologies
24 and available benchmarks, knowledge of Medicare
25 Part D benefit design.

26 Chief, Bureau of Maternal and Child Health

1 Promotion: Bachelor's degree required, advanced
2 degree preferred, in public health, health care
3 management, or a clinical field; multi-year
4 experience in health care or public health
5 management; knowledge of federal EPSDT
6 requirements and strategies for improving health
7 care for children as well as improving birth
8 outcomes.

9 Director of Dental Program: Bachelor's degree
10 required, advanced degree preferred, in healthcare
11 management or relevant field; experience in
12 healthcare administration; experience in
13 administering dental healthcare programs,
14 knowledge of practice standards for dental care
15 and treatment services; knowledge of the public
16 dental health infrastructure.

17 Manager of Medicare/Medicaid Coordination:
18 Bachelor's degree required, knowledge and
19 experience with Medicare Advantage rules and
20 regulations, knowledge of Medicaid laws and
21 policies; experience with contract drafting
22 preferred.

23 ~~Chief, Bureau of Eligibility Integrity:~~
24 ~~Bachelor's degree required, advanced degree in~~
25 ~~public administration or business administration~~
26 ~~preferred; experience equivalent to 4 years of~~

1 ~~administration in a public or business~~
2 ~~organization required; experience with managing~~
3 ~~contract compliance required; knowledge of~~
4 ~~Medicaid eligibility laws and policy preferred;~~
5 ~~supervisory experience preferred. The General~~
6 ~~Assembly finds that this position is necessary for~~
7 ~~the timely and effective implementation of this~~
8 ~~amendatory Act of the 97th General Assembly.~~

9 (B) HEALTHCARE FINANCE.

10 Director of Care Coordination Rate and
11 Finance: MBA, CPA, or Actuarial degree required;
12 experience in managed care rate setting,
13 including, but not limited to, baseline costs and
14 growth trends; knowledge and experience with
15 Medical Loss Ratio standards and measurements.

16 Director of Encounter Data Program: Bachelor's
17 degree required, advanced degree preferred,
18 preferably in business or information systems; at
19 least 2 years healthcare data reporting
20 experience, including, but not limited to, data
21 definitions, submission, and editing; strong
22 background in HIPAA transactions relevant to
23 encounter data submission; knowledge of healthcare
24 claims systems.

25 Chief, Bureau of Rate Development and
26 Analysis: Bachelor's degree required, advanced

1 degree preferred, with preferred coursework in
2 business or public administration, accounting,
3 finance, data analysis, or statistics; experience
4 with Medicaid reimbursement methodologies and
5 regulations; experience with extracting data from
6 large systems for analysis.

7 Manager of Medical Finance, Division of
8 Finance: Requires relevant advanced degree or
9 certification in relevant field, such as Certified
10 Public Accountant; coursework in business or
11 public administration, accounting, finance, data
12 analysis, or statistics preferred; experience in
13 control systems and GAAP; financial management
14 experience in a healthcare or government entity
15 utilizing Medicaid funding.

16 (C) HEALTHCARE DATA ANALYTICS.

17 Data Quality Assurance Manager: Bachelor's
18 degree required, advanced degree preferred,
19 preferably in business, information systems, or
20 epidemiology; at least 3 years of extensive
21 healthcare data reporting experience with a large
22 provider, health insurer, government agency, or
23 research institution; previous data quality
24 assurance role or formal data quality assurance
25 training.

26 Data Analytics Unit Manager: Bachelor's degree

1 required, advanced degree preferred, in
2 information systems, applied mathematics, or
3 another field with a strong analytics component;
4 extensive healthcare data reporting experience
5 with a large provider, health insurer, government
6 agency, or research institution; experience as a
7 business analyst interfacing between business and
8 information technology departments; in-depth
9 knowledge of health insurance coding and evolving
10 healthcare quality metrics; working knowledge of
11 SQL and/or SAS.

12 Data Analytics Platform Manager: Bachelor's
13 degree required, advanced degree preferred,
14 preferably in business or information systems;
15 extensive healthcare data reporting experience
16 with a large provider, health insurer, government
17 agency, or research institution; previous
18 experience working on a health insurance data
19 analytics platform; experience managing contracts
20 and vendors preferred.

21 (D) HEALTHCARE INFORMATION TECHNOLOGY.

22 Manager of Recipient Provider Reference Unit:
23 Bachelor's degree required; experience equivalent
24 to 4 years of administration in a public or
25 business organization; 3 years of administrative
26 experience in a computer-based management

1 information system.

2 Manager of MMIS Claims Unit: Bachelor's degree
3 required, with preferred coursework in business,
4 public administration, information systems;
5 experience equivalent to 4 years of administration
6 in a public or business organization; working
7 knowledge with design and implementation of
8 technical solutions to medical claims payment
9 systems; extensive technical writing experience,
10 including, but not limited to, the development of
11 RFPs, APDs, feasibility studies, and related
12 documents; thorough knowledge of IT system design,
13 commercial off the shelf software packages and
14 hardware components.

15 Assistant Bureau Chief, Office of Information
16 Systems: Bachelor's degree required, with
17 preferred coursework in business, public
18 administration, information systems; experience
19 equivalent to 5 years of administration in a public
20 or private business organization; extensive
21 technical writing experience, including, but not
22 limited to, the development of RFPs, APDs,
23 feasibility studies and related documents;
24 extensive healthcare technology experience with a
25 large provider, health insurer, government agency,
26 or research institution; experience as a business

1 analyst interfacing between business and
2 information technology departments; thorough
3 knowledge of IT system design, commercial off the
4 shelf software packages and hardware components.

5 Technical System Architect: Bachelor's degree
6 required, with preferred coursework in computer
7 science or information technology; prior
8 experience equivalent to 5 years of computer
9 science or IT administration in a public or
10 business organization; extensive healthcare
11 technology experience with a large provider,
12 health insurer, government agency, or research
13 institution; experience as a business analyst
14 interfacing between business and information
15 technology departments.

16 The provisions of this paragraph (8), other than this
17 sentence, are inoperative after January 1, 2014.

18 (Source: P.A. 97-649, eff. 12-30-11; 97-689, eff. 6-14-12.)

19 (30 ILCS 5/2-20 rep.)

20 Section 2-14. The Illinois State Auditing Act is amended by
21 repealing Section 2-20.

22 Section 2-15. The State Finance Act is amended by changing
23 Sections 6z-52 and 6z-81 and by adding Sections 5.826, 5.827,
24 and 5.828 as follows:

1 (30 ILCS 105/5.826 new)

2 Sec. 5.826. The Medical Research and Development Fund.

3 (30 ILCS 105/5.827 new)

4 Sec. 5.827. The Post-Tertiary Clinical Services Fund.

5 (30 ILCS 105/5.828 new)

6 Sec. 5.828. The Independent Academic Medical Center Fund.

7 (30 ILCS 105/6z-52)

8 Sec. 6z-52. Drug Rebate Fund.

9 (a) There is created in the State Treasury a special fund
10 to be known as the Drug Rebate Fund.

11 (b) The Fund is created for the purpose of receiving and
12 disbursing moneys in accordance with this Section.
13 Disbursements from the Fund shall be made, subject to
14 appropriation, only as follows:

15 (1) For payments for reimbursement or coverage for
16 prescription drugs and other pharmacy products provided to
17 a recipient of medical assistance under the Illinois Public
18 Aid Code, the Children's Health Insurance Program Act, the
19 Covering ALL KIDS Health Insurance Act, ~~and~~ the Veterans'
20 Health Insurance Program Act of 2008, and the Senior
21 Citizens and Disabled Persons Property Tax Relief and
22 Pharmaceutical Assistance Act.

1 (2) For reimbursement of moneys collected by the
2 Department of Healthcare and Family Services (formerly
3 Illinois Department of Public Aid) through error or
4 mistake.

5 (3) For payments of any amounts that are reimbursable
6 to the federal government resulting from a payment into
7 this Fund.

8 (4) (Blank). ~~For payments of operational and~~
9 ~~administrative expenses related to providing and managing~~
10 ~~coverage for prescription drugs and other pharmacy~~
11 ~~products provided to a recipient of medical assistance~~
12 ~~under the Illinois Public Aid Code, the Children's Health~~
13 ~~Insurance Program Act, the Covering ALL KIDS Health~~
14 ~~Insurance Act, the Veterans' Health Insurance Program Act~~
15 ~~of 2008, and the Senior Citizens and Disabled Persons~~
16 ~~Property Tax Relief and Pharmaceutical Assistance Act.~~

17 (c) The Fund shall consist of the following:

18 (1) Upon notification from the Director of Healthcare
19 and Family Services, the Comptroller shall direct and the
20 Treasurer shall transfer the net State share (disregarding
21 the reduction in net State share attributable to the
22 American Recovery and Reinvestment Act of 2009 or any other
23 federal economic stimulus program) of all moneys received
24 by the Department of Healthcare and Family Services
25 (formerly Illinois Department of Public Aid) from drug
26 rebate agreements with pharmaceutical manufacturers

1 pursuant to Title XIX of the federal Social Security Act,
2 including any portion of the balance in the Public Aid
3 Recoveries Trust Fund on July 1, 2001 that is attributable
4 to such receipts.

5 (2) All federal matching funds received by the Illinois
6 Department as a result of expenditures made by the
7 Department that are attributable to moneys deposited in the
8 Fund.

9 (3) Any premium collected by the Illinois Department
10 from participants under a waiver approved by the federal
11 government relating to provision of pharmaceutical
12 services.

13 (4) All other moneys received for the Fund from any
14 other source, including interest earned thereon.

15 (Source: P.A. 96-8, eff. 4-28-09; 96-1100, eff. 1-1-11; 97-689,
16 eff. 7-1-12.)

17 (30 ILCS 105/6z-81)

18 Sec. 6z-81. Healthcare Provider Relief Fund.

19 (a) There is created in the State treasury a special fund
20 to be known as the Healthcare Provider Relief Fund.

21 (b) The Fund is created for the purpose of receiving and
22 disbursing moneys in accordance with this Section.
23 Disbursements from the Fund shall be made only as follows:

24 (1) Subject to appropriation, for payment by the
25 Department of Healthcare and Family Services or by the

1 Department of Human Services of medical bills and related
2 expenses, including administrative expenses, for which the
3 State is responsible under Titles XIX and XXI of the Social
4 Security Act, the Illinois Public Aid Code, the Children's
5 Health Insurance Program Act, the Covering ALL KIDS Health
6 Insurance Act, and the Senior Citizens and Disabled Persons
7 Property Tax Relief and Pharmaceutical Assistance Act. ~~and~~
8 ~~the Long Term Acute Care Hospital Quality Improvement~~
9 ~~Transfer Program Act.~~

10 (2) For repayment of funds borrowed from other State
11 funds or from outside sources, including interest thereon.

12 (c) The Fund shall consist of the following:

13 (1) Moneys received by the State from short-term
14 borrowing pursuant to the Short Term Borrowing Act on or
15 after the effective date of this amendatory Act of the 96th
16 General Assembly.

17 (2) All federal matching funds received by the Illinois
18 Department of Healthcare and Family Services as a result of
19 expenditures made by the Department that are attributable
20 to moneys deposited in the Fund.

21 (3) All federal matching funds received by the Illinois
22 Department of Healthcare and Family Services as a result of
23 federal approval of Title XIX State plan amendment
24 transmittal number 07-09.

25 (4) All other moneys received for the Fund from any
26 other source, including interest earned thereon.

1 (d) In addition to any other transfers that may be provided
2 for by law, on the effective date of this amendatory Act of the
3 97th General Assembly, or as soon thereafter as practical, the
4 State Comptroller shall direct and the State Treasurer shall
5 transfer the sum of \$365,000,000 from the General Revenue Fund
6 into the Healthcare Provider Relief Fund.

7 (e) In addition to any other transfers that may be provided
8 for by law, on July 1, 2011, or as soon thereafter as
9 practical, the State Comptroller shall direct and the State
10 Treasurer shall transfer the sum of \$160,000,000 from the
11 General Revenue Fund to the Healthcare Provider Relief Fund.

12 (f) Notwithstanding any other State law to the contrary,
13 and in addition to any other transfers that may be provided for
14 by law, the State Comptroller shall order transferred and the
15 State Treasurer shall transfer \$500,000,000 to the Healthcare
16 Provider Relief Fund from the General Revenue Fund in equal
17 monthly installments of \$100,000,000, with the first transfer
18 to be made on July 1, 2012, or as soon thereafter as practical,
19 and with each of the remaining transfers to be made on August
20 1, 2012, September 1, 2012, October 1, 2012, and November 1,
21 2012, or as soon thereafter as practical. This transfer may
22 assist the Department of Healthcare and Family Services in
23 improving Medical Assistance bill processing timeframes or in
24 meeting the possible requirements of Senate Bill 3397, or other
25 similar legislation, of the 97th General Assembly should it
26 become law.

1 (Source: P.A. 96-820, eff. 11-18-09; 96-1100, eff. 1-1-11;
2 97-44, eff. 6-28-11; 97-641, eff. 12-19-11; 97-689, eff.
3 6-14-12; 97-732, eff. 6-30-12; revised 7-10-12.)

4 Section 2-25. The Illinois Procurement Code is amended by
5 changing Section 1-10 as follows:

6 (30 ILCS 500/1-10)

7 Sec. 1-10. Application.

8 (a) This Code applies only to procurements for which
9 contractors were first solicited on or after July 1, 1998. This
10 Code shall not be construed to affect or impair any contract,
11 or any provision of a contract, entered into based on a
12 solicitation prior to the implementation date of this Code as
13 described in Article 99, including but not limited to any
14 covenant entered into with respect to any revenue bonds or
15 similar instruments. All procurements for which contracts are
16 solicited between the effective date of Articles 50 and 99 and
17 July 1, 1998 shall be substantially in accordance with this
18 Code and its intent.

19 (b) This Code shall apply regardless of the source of the
20 funds with which the contracts are paid, including federal
21 assistance moneys. This Code shall not apply to:

22 (1) Contracts between the State and its political
23 subdivisions or other governments, or between State
24 governmental bodies except as specifically provided in

1 this Code.

2 (2) Grants, except for the filing requirements of
3 Section 20-80.

4 (3) Purchase of care.

5 (4) Hiring of an individual as employee and not as an
6 independent contractor, whether pursuant to an employment
7 code or policy or by contract directly with that
8 individual.

9 (5) Collective bargaining contracts.

10 (6) Purchase of real estate, except that notice of this
11 type of contract with a value of more than \$25,000 must be
12 published in the Procurement Bulletin within 7 days after
13 the deed is recorded in the county of jurisdiction. The
14 notice shall identify the real estate purchased, the names
15 of all parties to the contract, the value of the contract,
16 and the effective date of the contract.

17 (7) Contracts necessary to prepare for anticipated
18 litigation, enforcement actions, or investigations,
19 provided that the chief legal counsel to the Governor shall
20 give his or her prior approval when the procuring agency is
21 one subject to the jurisdiction of the Governor, and
22 provided that the chief legal counsel of any other
23 procuring entity subject to this Code shall give his or her
24 prior approval when the procuring entity is not one subject
25 to the jurisdiction of the Governor.

26 (8) Contracts for services to Northern Illinois

1 University by a person, acting as an independent
2 contractor, who is qualified by education, experience, and
3 technical ability and is selected by negotiation for the
4 purpose of providing non-credit educational service
5 activities or products by means of specialized programs
6 offered by the university.

7 (9) Procurement expenditures by the Illinois
8 Conservation Foundation when only private funds are used.

9 (10) Procurement expenditures by the Illinois Health
10 Information Exchange Authority involving private funds
11 from the Health Information Exchange Fund. "Private funds"
12 means gifts, donations, and private grants.

13 (11) Public-private agreements entered into according
14 to the procurement requirements of Section 20 of the
15 Public-Private Partnerships for Transportation Act and
16 design-build agreements entered into according to the
17 procurement requirements of Section 25 of the
18 Public-Private Partnerships for Transportation Act.

19 (c) This Code does not apply to the electric power
20 procurement process provided for under Section 1-75 of the
21 Illinois Power Agency Act and Section 16-111.5 of the Public
22 Utilities Act.

23 (d) Except for Section 20-160 and Article 50 of this Code,
24 and as expressly required by Section 9.1 of the Illinois
25 Lottery Law, the provisions of this Code do not apply to the
26 procurement process provided for under Section 9.1 of the

1 Illinois Lottery Law.

2 (e) This Code does not apply to the process used by the
3 Capital Development Board to retain a person or entity to
4 assist the Capital Development Board with its duties related to
5 the determination of costs of a clean coal SNG brownfield
6 facility, as defined by Section 1-10 of the Illinois Power
7 Agency Act, as required in subsection (h-3) of Section 9-220 of
8 the Public Utilities Act, including calculating the range of
9 capital costs, the range of operating and maintenance costs, or
10 the sequestration costs or monitoring the construction of clean
11 coal SNG brownfield facility for the full duration of
12 construction.

13 (f) This Code does not apply to the process used by the
14 Illinois Power Agency to retain a mediator to mediate sourcing
15 agreement disputes between gas utilities and the clean coal SNG
16 brownfield facility, as defined in Section 1-10 of the Illinois
17 Power Agency Act, as required under subsection (h-1) of Section
18 9-220 of the Public Utilities Act.

19 (g) This Code does not apply to the processes used by the
20 Illinois Power Agency to retain a mediator to mediate contract
21 disputes between gas utilities and the clean coal SNG facility
22 and to retain an expert to assist in the review of contracts
23 under subsection (h) of Section 9-220 of the Public Utilities
24 Act. This Code does not apply to the process used by the
25 Illinois Commerce Commission to retain an expert to assist in
26 determining the actual incurred costs of the clean coal SNG

1 facility and the reasonableness of those costs as required
2 under subsection (h) of Section 9-220 of the Public Utilities
3 Act.

4 (h) (Blank). ~~This Code does not apply to the process to~~
5 ~~procure or contracts entered into in accordance with Sections~~
6 ~~11-5.2 and 11-5.3 of the Illinois Public Aid Code.~~

7 (i) ~~(h)~~ Each chief procurement officer may access records
8 necessary to review whether a contract, purchase, or other
9 expenditure is or is not subject to the provisions of this
10 Code, unless such records would be subject to attorney-client
11 privilege.

12 (Source: P.A. 96-840, eff. 12-23-09; 96-1331, eff. 7-27-10;
13 97-96, eff. 7-13-11; 97-239, eff. 8-2-11; 97-502, eff. 8-23-11;
14 97-689, eff. 6-14-12; 97-813, eff. 7-13-12; 97-895, eff.
15 8-3-12; revised 8-23-12.)

16 Section 2-26. The Downstate Public Transportation Act is
17 amended by changing Sections 2-15.2 and 2-15.3 as follows:

18 (30 ILCS 740/2-15.2)

19 Sec. 2-15.2. Free services; eligibility.

20 (a) Notwithstanding any law to the contrary, no later than
21 60 days following the effective date of this amendatory Act of
22 the 95th General Assembly and until subsection (b) is
23 implemented, any fixed route public transportation services
24 provided by, or under grant or purchase of service contracts

1 of, every participant, as defined in Section 2-2.02 (1)(a),
2 shall be provided without charge to all senior citizen
3 residents of the participant aged 65 and older, under such
4 conditions as shall be prescribed by the participant.

5 (b) Notwithstanding any law to the contrary, no later than
6 180 days following the effective date of this amendatory Act of
7 the 96th General Assembly, any fixed route public
8 transportation services provided by, or under grant or purchase
9 of service contracts of, every participant, as defined in
10 Section 2-2.02 (1)(a), shall be provided without charge to
11 senior citizens aged 65 and older who meet the income
12 eligibility limitation set forth in subsection (a-5) of Section
13 4 of the Senior Citizens and Disabled Persons Property Tax
14 Relief and Pharmaceutical Assistance Act, under such
15 conditions as shall be prescribed by the participant. The
16 Department on Aging shall furnish all information reasonably
17 necessary to determine eligibility, including updated lists of
18 individuals who are eligible for services without charge under
19 this Section. Nothing in this Section shall relieve the
20 participant from providing reduced fares as may be required by
21 federal law.

22 (Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

23 (30 ILCS 740/2-15.3)

24 Sec. 2-15.3. Transit services for disabled individuals.
25 Notwithstanding any law to the contrary, no later than 60 days

1 following the effective date of this amendatory Act of the 95th
2 General Assembly, all fixed route public transportation
3 services provided by, or under grant or purchase of service
4 contract of, any participant shall be provided without charge
5 to all disabled persons who meet the income eligibility
6 limitation set forth in subsection (a-5) of Section 4 of the
7 Senior Citizens and Disabled Persons Property Tax Relief and
8 Pharmaceutical Assistance Act, under such procedures as shall
9 be prescribed by the participant. The Department on Aging shall
10 furnish all information reasonably necessary to determine
11 eligibility, including updated lists of individuals who are
12 eligible for services without charge under this Section.

13 (Source: P.A. 97-689, eff. 6-14-12.)

14 Section 2-27. The Property Tax Code is amended by changing
15 Sections 15-172, 15-175, 20-15, and 21-27 as follows:

16 (35 ILCS 200/15-172)

17 Sec. 15-172. Senior Citizens Assessment Freeze Homestead
18 Exemption.

19 (a) This Section may be cited as the Senior Citizens
20 Assessment Freeze Homestead Exemption.

21 (b) As used in this Section:

22 "Applicant" means an individual who has filed an
23 application under this Section.

24 "Base amount" means the base year equalized assessed value

1 of the residence plus the first year's equalized assessed value
2 of any added improvements which increased the assessed value of
3 the residence after the base year.

4 "Base year" means the taxable year prior to the taxable
5 year for which the applicant first qualifies and applies for
6 the exemption provided that in the prior taxable year the
7 property was improved with a permanent structure that was
8 occupied as a residence by the applicant who was liable for
9 paying real property taxes on the property and who was either
10 (i) an owner of record of the property or had legal or
11 equitable interest in the property as evidenced by a written
12 instrument or (ii) had a legal or equitable interest as a
13 lessee in the parcel of property that was single family
14 residence. If in any subsequent taxable year for which the
15 applicant applies and qualifies for the exemption the equalized
16 assessed value of the residence is less than the equalized
17 assessed value in the existing base year (provided that such
18 equalized assessed value is not based on an assessed value that
19 results from a temporary irregularity in the property that
20 reduces the assessed value for one or more taxable years), then
21 that subsequent taxable year shall become the base year until a
22 new base year is established under the terms of this paragraph.
23 For taxable year 1999 only, the Chief County Assessment Officer
24 shall review (i) all taxable years for which the applicant
25 applied and qualified for the exemption and (ii) the existing
26 base year. The assessment officer shall select as the new base

1 year the year with the lowest equalized assessed value. An
2 equalized assessed value that is based on an assessed value
3 that results from a temporary irregularity in the property that
4 reduces the assessed value for one or more taxable years shall
5 not be considered the lowest equalized assessed value. The
6 selected year shall be the base year for taxable year 1999 and
7 thereafter until a new base year is established under the terms
8 of this paragraph.

9 "Chief County Assessment Officer" means the County
10 Assessor or Supervisor of Assessments of the county in which
11 the property is located.

12 "Equalized assessed value" means the assessed value as
13 equalized by the Illinois Department of Revenue.

14 "Household" means the applicant, the spouse of the
15 applicant, and all persons using the residence of the applicant
16 as their principal place of residence.

17 "Household income" means the combined income of the members
18 of a household for the calendar year preceding the taxable
19 year.

20 "Income" has the same meaning as provided in Section 3.07
21 of the Senior Citizens and Disabled Persons Property Tax Relief
22 and Pharmaceutical Assistance Act, except that, beginning in
23 assessment year 2001, "income" does not include veteran's
24 benefits.

25 "Internal Revenue Code of 1986" means the United States
26 Internal Revenue Code of 1986 or any successor law or laws

1 relating to federal income taxes in effect for the year
2 preceding the taxable year.

3 "Life care facility that qualifies as a cooperative" means
4 a facility as defined in Section 2 of the Life Care Facilities
5 Act.

6 "Maximum income limitation" means:

- 7 (1) \$35,000 prior to taxable year 1999;
- 8 (2) \$40,000 in taxable years 1999 through 2003;
- 9 (3) \$45,000 in taxable years 2004 through 2005;
- 10 (4) \$50,000 in taxable years 2006 and 2007; and
- 11 (5) \$55,000 in taxable year 2008 and thereafter.

12 "Residence" means the principal dwelling place and
13 appurtenant structures used for residential purposes in this
14 State occupied on January 1 of the taxable year by a household
15 and so much of the surrounding land, constituting the parcel
16 upon which the dwelling place is situated, as is used for
17 residential purposes. If the Chief County Assessment Officer
18 has established a specific legal description for a portion of
19 property constituting the residence, then that portion of
20 property shall be deemed the residence for the purposes of this
21 Section.

22 "Taxable year" means the calendar year during which ad
23 valorem property taxes payable in the next succeeding year are
24 levied.

25 (c) Beginning in taxable year 1994, a senior citizens
26 assessment freeze homestead exemption is granted for real

1 property that is improved with a permanent structure that is
2 occupied as a residence by an applicant who (i) is 65 years of
3 age or older during the taxable year, (ii) has a household
4 income that does not exceed the maximum income limitation,
5 (iii) is liable for paying real property taxes on the property,
6 and (iv) is an owner of record of the property or has a legal or
7 equitable interest in the property as evidenced by a written
8 instrument. This homestead exemption shall also apply to a
9 leasehold interest in a parcel of property improved with a
10 permanent structure that is a single family residence that is
11 occupied as a residence by a person who (i) is 65 years of age
12 or older during the taxable year, (ii) has a household income
13 that does not exceed the maximum income limitation, (iii) has a
14 legal or equitable ownership interest in the property as
15 lessee, and (iv) is liable for the payment of real property
16 taxes on that property.

17 In counties of 3,000,000 or more inhabitants, the amount of
18 the exemption for all taxable years is the equalized assessed
19 value of the residence in the taxable year for which
20 application is made minus the base amount. In all other
21 counties, the amount of the exemption is as follows: (i)
22 through taxable year 2005 and for taxable year 2007 and
23 thereafter, the amount of this exemption shall be the equalized
24 assessed value of the residence in the taxable year for which
25 application is made minus the base amount; and (ii) for taxable
26 year 2006, the amount of the exemption is as follows:

1 (1) For an applicant who has a household income of
2 \$45,000 or less, the amount of the exemption is the
3 equalized assessed value of the residence in the taxable
4 year for which application is made minus the base amount.

5 (2) For an applicant who has a household income
6 exceeding \$45,000 but not exceeding \$46,250, the amount of
7 the exemption is (i) the equalized assessed value of the
8 residence in the taxable year for which application is made
9 minus the base amount (ii) multiplied by 0.8.

10 (3) For an applicant who has a household income
11 exceeding \$46,250 but not exceeding \$47,500, the amount of
12 the exemption is (i) the equalized assessed value of the
13 residence in the taxable year for which application is made
14 minus the base amount (ii) multiplied by 0.6.

15 (4) For an applicant who has a household income
16 exceeding \$47,500 but not exceeding \$48,750, the amount of
17 the exemption is (i) the equalized assessed value of the
18 residence in the taxable year for which application is made
19 minus the base amount (ii) multiplied by 0.4.

20 (5) For an applicant who has a household income
21 exceeding \$48,750 but not exceeding \$50,000, the amount of
22 the exemption is (i) the equalized assessed value of the
23 residence in the taxable year for which application is made
24 minus the base amount (ii) multiplied by 0.2.

25 When the applicant is a surviving spouse of an applicant
26 for a prior year for the same residence for which an exemption

1 under this Section has been granted, the base year and base
2 amount for that residence are the same as for the applicant for
3 the prior year.

4 Each year at the time the assessment books are certified to
5 the County Clerk, the Board of Review or Board of Appeals shall
6 give to the County Clerk a list of the assessed values of
7 improvements on each parcel qualifying for this exemption that
8 were added after the base year for this parcel and that
9 increased the assessed value of the property.

10 In the case of land improved with an apartment building
11 owned and operated as a cooperative or a building that is a
12 life care facility that qualifies as a cooperative, the maximum
13 reduction from the equalized assessed value of the property is
14 limited to the sum of the reductions calculated for each unit
15 occupied as a residence by a person or persons (i) 65 years of
16 age or older, (ii) with a household income that does not exceed
17 the maximum income limitation, (iii) who is liable, by contract
18 with the owner or owners of record, for paying real property
19 taxes on the property, and (iv) who is an owner of record of a
20 legal or equitable interest in the cooperative apartment
21 building, other than a leasehold interest. In the instance of a
22 cooperative where a homestead exemption has been granted under
23 this Section, the cooperative association or its management
24 firm shall credit the savings resulting from that exemption
25 only to the apportioned tax liability of the owner who
26 qualified for the exemption. Any person who willfully refuses

1 to credit that savings to an owner who qualifies for the
2 exemption is guilty of a Class B misdemeanor.

3 When a homestead exemption has been granted under this
4 Section and an applicant then becomes a resident of a facility
5 licensed under the Assisted Living and Shared Housing Act, the
6 Nursing Home Care Act, the Specialized Mental Health
7 Rehabilitation Act, or the ID/DD Community Care Act, the
8 exemption shall be granted in subsequent years so long as the
9 residence (i) continues to be occupied by the qualified
10 applicant's spouse or (ii) if remaining unoccupied, is still
11 owned by the qualified applicant for the homestead exemption.

12 Beginning January 1, 1997, when an individual dies who
13 would have qualified for an exemption under this Section, and
14 the surviving spouse does not independently qualify for this
15 exemption because of age, the exemption under this Section
16 shall be granted to the surviving spouse for the taxable year
17 preceding and the taxable year of the death, provided that,
18 except for age, the surviving spouse meets all other
19 qualifications for the granting of this exemption for those
20 years.

21 When married persons maintain separate residences, the
22 exemption provided for in this Section may be claimed by only
23 one of such persons and for only one residence.

24 For taxable year 1994 only, in counties having less than
25 3,000,000 inhabitants, to receive the exemption, a person shall
26 submit an application by February 15, 1995 to the Chief County

1 Assessment Officer of the county in which the property is
2 located. In counties having 3,000,000 or more inhabitants, for
3 taxable year 1994 and all subsequent taxable years, to receive
4 the exemption, a person may submit an application to the Chief
5 County Assessment Officer of the county in which the property
6 is located during such period as may be specified by the Chief
7 County Assessment Officer. The Chief County Assessment Officer
8 in counties of 3,000,000 or more inhabitants shall annually
9 give notice of the application period by mail or by
10 publication. In counties having less than 3,000,000
11 inhabitants, beginning with taxable year 1995 and thereafter,
12 to receive the exemption, a person shall submit an application
13 by July 1 of each taxable year to the Chief County Assessment
14 Officer of the county in which the property is located. A
15 county may, by ordinance, establish a date for submission of
16 applications that is different than July 1. The applicant shall
17 submit with the application an affidavit of the applicant's
18 total household income, age, marital status (and if married the
19 name and address of the applicant's spouse, if known), and
20 principal dwelling place of members of the household on January
21 1 of the taxable year. The Department shall establish, by rule,
22 a method for verifying the accuracy of affidavits filed by
23 applicants under this Section, and the Chief County Assessment
24 Officer may conduct audits of any taxpayer claiming an
25 exemption under this Section to verify that the taxpayer is
26 eligible to receive the exemption. Each application shall

1 contain or be verified by a written declaration that it is made
2 under the penalties of perjury. A taxpayer's signing a
3 fraudulent application under this Act is perjury, as defined in
4 Section 32-2 of the Criminal Code of 1961. The applications
5 shall be clearly marked as applications for the Senior Citizens
6 Assessment Freeze Homestead Exemption and must contain a notice
7 that any taxpayer who receives the exemption is subject to an
8 audit by the Chief County Assessment Officer.

9 Notwithstanding any other provision to the contrary, in
10 counties having fewer than 3,000,000 inhabitants, if an
11 applicant fails to file the application required by this
12 Section in a timely manner and this failure to file is due to a
13 mental or physical condition sufficiently severe so as to
14 render the applicant incapable of filing the application in a
15 timely manner, the Chief County Assessment Officer may extend
16 the filing deadline for a period of 30 days after the applicant
17 regains the capability to file the application, but in no case
18 may the filing deadline be extended beyond 3 months of the
19 original filing deadline. In order to receive the extension
20 provided in this paragraph, the applicant shall provide the
21 Chief County Assessment Officer with a signed statement from
22 the applicant's physician stating the nature and extent of the
23 condition, that, in the physician's opinion, the condition was
24 so severe that it rendered the applicant incapable of filing
25 the application in a timely manner, and the date on which the
26 applicant regained the capability to file the application.

1 Beginning January 1, 1998, notwithstanding any other
2 provision to the contrary, in counties having fewer than
3 3,000,000 inhabitants, if an applicant fails to file the
4 application required by this Section in a timely manner and
5 this failure to file is due to a mental or physical condition
6 sufficiently severe so as to render the applicant incapable of
7 filing the application in a timely manner, the Chief County
8 Assessment Officer may extend the filing deadline for a period
9 of 3 months. In order to receive the extension provided in this
10 paragraph, the applicant shall provide the Chief County
11 Assessment Officer with a signed statement from the applicant's
12 physician stating the nature and extent of the condition, and
13 that, in the physician's opinion, the condition was so severe
14 that it rendered the applicant incapable of filing the
15 application in a timely manner.

16 In counties having less than 3,000,000 inhabitants, if an
17 applicant was denied an exemption in taxable year 1994 and the
18 denial occurred due to an error on the part of an assessment
19 official, or his or her agent or employee, then beginning in
20 taxable year 1997 the applicant's base year, for purposes of
21 determining the amount of the exemption, shall be 1993 rather
22 than 1994. In addition, in taxable year 1997, the applicant's
23 exemption shall also include an amount equal to (i) the amount
24 of any exemption denied to the applicant in taxable year 1995
25 as a result of using 1994, rather than 1993, as the base year,
26 (ii) the amount of any exemption denied to the applicant in

1 taxable year 1996 as a result of using 1994, rather than 1993,
2 as the base year, and (iii) the amount of the exemption
3 erroneously denied for taxable year 1994.

4 For purposes of this Section, a person who will be 65 years
5 of age during the current taxable year shall be eligible to
6 apply for the homestead exemption during that taxable year.
7 Application shall be made during the application period in
8 effect for the county of his or her residence.

9 The Chief County Assessment Officer may determine the
10 eligibility of a life care facility that qualifies as a
11 cooperative to receive the benefits provided by this Section by
12 use of an affidavit, application, visual inspection,
13 questionnaire, or other reasonable method in order to insure
14 that the tax savings resulting from the exemption are credited
15 by the management firm to the apportioned tax liability of each
16 qualifying resident. The Chief County Assessment Officer may
17 request reasonable proof that the management firm has so
18 credited that exemption.

19 Except as provided in this Section, all information
20 received by the chief county assessment officer or the
21 Department from applications filed under this Section, or from
22 any investigation conducted under the provisions of this
23 Section, shall be confidential, except for official purposes or
24 pursuant to official procedures for collection of any State or
25 local tax or enforcement of any civil or criminal penalty or
26 sanction imposed by this Act or by any statute or ordinance

1 imposing a State or local tax. Any person who divulges any such
2 information in any manner, except in accordance with a proper
3 judicial order, is guilty of a Class A misdemeanor.

4 Nothing contained in this Section shall prevent the
5 Director or chief county assessment officer from publishing or
6 making available reasonable statistics concerning the
7 operation of the exemption contained in this Section in which
8 the contents of claims are grouped into aggregates in such a
9 way that information contained in any individual claim shall
10 not be disclosed.

11 (d) Each Chief County Assessment Officer shall annually
12 publish a notice of availability of the exemption provided
13 under this Section. The notice shall be published at least 60
14 days but no more than 75 days prior to the date on which the
15 application must be submitted to the Chief County Assessment
16 Officer of the county in which the property is located. The
17 notice shall appear in a newspaper of general circulation in
18 the county.

19 Notwithstanding Sections 6 and 8 of the State Mandates Act,
20 no reimbursement by the State is required for the
21 implementation of any mandate created by this Section.

22 (Source: P.A. 96-339, eff. 7-1-10; 96-355, eff. 1-1-10;
23 96-1000, eff. 7-2-10; 97-38, eff. 6-28-11; 97-227, eff. 1-1-12;
24 97-689, eff. 6-14-12; 97-813, eff. 7-13-12.)

1 Sec. 15-175. General homestead exemption.

2 (a) Except as provided in Sections 15-176 and 15-177,
3 homestead property is entitled to an annual homestead exemption
4 limited, except as described here with relation to
5 cooperatives, to a reduction in the equalized assessed value of
6 homestead property equal to the increase in equalized assessed
7 value for the current assessment year above the equalized
8 assessed value of the property for 1977, up to the maximum
9 reduction set forth below. If however, the 1977 equalized
10 assessed value upon which taxes were paid is subsequently
11 determined by local assessing officials, the Property Tax
12 Appeal Board, or a court to have been excessive, the equalized
13 assessed value which should have been placed on the property
14 for 1977 shall be used to determine the amount of the
15 exemption.

16 (b) Except as provided in Section 15-176, the maximum
17 reduction before taxable year 2004 shall be \$4,500 in counties
18 with 3,000,000 or more inhabitants and \$3,500 in all other
19 counties. Except as provided in Sections 15-176 and 15-177, for
20 taxable years 2004 through 2007, the maximum reduction shall be
21 \$5,000, for taxable year 2008, the maximum reduction is \$5,500,
22 and, for taxable years 2009 and thereafter, the maximum
23 reduction is \$6,000 in all counties. If a county has elected to
24 subject itself to the provisions of Section 15-176 as provided
25 in subsection (k) of that Section, then, for the first taxable
26 year only after the provisions of Section 15-176 no longer

1 apply, for owners who, for the taxable year, have not been
2 granted a senior citizens assessment freeze homestead
3 exemption under Section 15-172 or a long-time occupant
4 homestead exemption under Section 15-177, there shall be an
5 additional exemption of \$5,000 for owners with a household
6 income of \$30,000 or less.

7 (c) In counties with fewer than 3,000,000 inhabitants, if,
8 based on the most recent assessment, the equalized assessed
9 value of the homestead property for the current assessment year
10 is greater than the equalized assessed value of the property
11 for 1977, the owner of the property shall automatically receive
12 the exemption granted under this Section in an amount equal to
13 the increase over the 1977 assessment up to the maximum
14 reduction set forth in this Section.

15 (d) If in any assessment year beginning with the 2000
16 assessment year, homestead property has a pro-rata valuation
17 under Section 9-180 resulting in an increase in the assessed
18 valuation, a reduction in equalized assessed valuation equal to
19 the increase in equalized assessed value of the property for
20 the year of the pro-rata valuation above the equalized assessed
21 value of the property for 1977 shall be applied to the property
22 on a proportionate basis for the period the property qualified
23 as homestead property during the assessment year. The maximum
24 proportionate homestead exemption shall not exceed the maximum
25 homestead exemption allowed in the county under this Section
26 divided by 365 and multiplied by the number of days the

1 property qualified as homestead property.

2 (e) The chief county assessment officer may, when
3 considering whether to grant a leasehold exemption under this
4 Section, require the following conditions to be met:

5 (1) that a notarized application for the exemption,
6 signed by both the owner and the lessee of the property,
7 must be submitted each year during the application period
8 in effect for the county in which the property is located;

9 (2) that a copy of the lease must be filed with the
10 chief county assessment officer by the owner of the
11 property at the time the notarized application is
12 submitted;

13 (3) that the lease must expressly state that the lessee
14 is liable for the payment of property taxes; and

15 (4) that the lease must include the following language
16 in substantially the following form:

17 "Lessee shall be liable for the payment of real
18 estate taxes with respect to the residence in
19 accordance with the terms and conditions of Section
20 15-175 of the Property Tax Code (35 ILCS 200/15-175).

21 The permanent real estate index number for the premises
22 is (insert number), and, according to the most recent
23 property tax bill, the current amount of real estate
24 taxes associated with the premises is (insert amount)
25 per year. The parties agree that the monthly rent set
26 forth above shall be increased or decreased pro rata

1 (effective January 1 of each calendar year) to reflect
2 any increase or decrease in real estate taxes. Lessee
3 shall be deemed to be satisfying Lessee's liability for
4 the above mentioned real estate taxes with the monthly
5 rent payments as set forth above (or increased or
6 decreased as set forth herein).".

7 In addition, if there is a change in lessee, or if the
8 lessee vacates the property, then the chief county assessment
9 officer may require the owner of the property to notify the
10 chief county assessment officer of that change.

11 This subsection (e) does not apply to leasehold interests
12 in property owned by a municipality.

13 (f) "Homestead property" under this Section includes
14 residential property that is occupied by its owner or owners as
15 his or their principal dwelling place, or that is a leasehold
16 interest on which a single family residence is situated, which
17 is occupied as a residence by a person who has an ownership
18 interest therein, legal or equitable or as a lessee, and on
19 which the person is liable for the payment of property taxes.
20 For land improved with an apartment building owned and operated
21 as a cooperative or a building which is a life care facility as
22 defined in Section 15-170 and considered to be a cooperative
23 under Section 15-170, the maximum reduction from the equalized
24 assessed value shall be limited to the increase in the value
25 above the equalized assessed value of the property for 1977, up
26 to the maximum reduction set forth above, multiplied by the

1 number of apartments or units occupied by a person or persons
2 who is liable, by contract with the owner or owners of record,
3 for paying property taxes on the property and is an owner of
4 record of a legal or equitable interest in the cooperative
5 apartment building, other than a leasehold interest. For
6 purposes of this Section, the term "life care facility" has the
7 meaning stated in Section 15-170.

8 "Household", as used in this Section, means the owner, the
9 spouse of the owner, and all persons using the residence of the
10 owner as their principal place of residence.

11 "Household income", as used in this Section, means the
12 combined income of the members of a household for the calendar
13 year preceding the taxable year.

14 "Income", as used in this Section, has the same meaning as
15 provided in Section 3.07 of the Senior Citizens and Disabled
16 Persons Property Tax Relief and Pharmaceutical Assistance Act,
17 except that "income" does not include veteran's benefits.

18 (g) In a cooperative where a homestead exemption has been
19 granted, the cooperative association or its management firm
20 shall credit the savings resulting from that exemption only to
21 the apportioned tax liability of the owner who qualified for
22 the exemption. Any person who willfully refuses to so credit
23 the savings shall be guilty of a Class B misdemeanor.

24 (h) Where married persons maintain and reside in separate
25 residences qualifying as homestead property, each residence
26 shall receive 50% of the total reduction in equalized assessed

1 valuation provided by this Section.

2 (i) In all counties, the assessor or chief county
3 assessment officer may determine the eligibility of
4 residential property to receive the homestead exemption and the
5 amount of the exemption by application, visual inspection,
6 questionnaire or other reasonable methods. The determination
7 shall be made in accordance with guidelines established by the
8 Department, provided that the taxpayer applying for an
9 additional general exemption under this Section shall submit to
10 the chief county assessment officer an application with an
11 affidavit of the applicant's total household income, age,
12 marital status (and, if married, the name and address of the
13 applicant's spouse, if known), and principal dwelling place of
14 members of the household on January 1 of the taxable year. The
15 Department shall issue guidelines establishing a method for
16 verifying the accuracy of the affidavits filed by applicants
17 under this paragraph. The applications shall be clearly marked
18 as applications for the Additional General Homestead
19 Exemption.

20 (j) In counties with fewer than 3,000,000 inhabitants, in
21 the event of a sale of homestead property the homestead
22 exemption shall remain in effect for the remainder of the
23 assessment year of the sale. The assessor or chief county
24 assessment officer may require the new owner of the property to
25 apply for the homestead exemption for the following assessment
26 year.

1 (k) Notwithstanding Sections 6 and 8 of the State Mandates
2 Act, no reimbursement by the State is required for the
3 implementation of any mandate created by this Section.
4 (Source: P.A. 97-689, eff. 6-14-12; 97-1125, eff. 8-28-12;
5 revised 9-20-12.)

6 (35 ILCS 200/20-15)

7 Sec. 20-15. Information on bill or separate statement.
8 There shall be printed on each bill, or on a separate slip
9 which shall be mailed with the bill:

10 (a) a statement itemizing the rate at which taxes have
11 been extended for each of the taxing districts in the
12 county in whose district the property is located, and in
13 those counties utilizing electronic data processing
14 equipment the dollar amount of tax due from the person
15 assessed allocable to each of those taxing districts,
16 including a separate statement of the dollar amount of tax
17 due which is allocable to a tax levied under the Illinois
18 Local Library Act or to any other tax levied by a
19 municipality or township for public library purposes,

20 (b) a separate statement for each of the taxing
21 districts of the dollar amount of tax due which is
22 allocable to a tax levied under the Illinois Pension Code
23 or to any other tax levied by a municipality or township
24 for public pension or retirement purposes,

25 (c) the total tax rate,

1 (d) the total amount of tax due, and

2 (e) the amount by which the total tax and the tax
3 allocable to each taxing district differs from the
4 taxpayer's last prior tax bill.

5 The county treasurer shall ensure that only those taxing
6 districts in which a parcel of property is located shall be
7 listed on the bill for that property.

8 In all counties the statement shall also provide:

9 (1) the property index number or other suitable
10 description,

11 (2) the assessment of the property,

12 (3) the equalization factors imposed by the county and
13 by the Department, and

14 (4) the equalized assessment resulting from the
15 application of the equalization factors to the basic
16 assessment.

17 In all counties which do not classify property for purposes
18 of taxation, for property on which a single family residence is
19 situated the statement shall also include a statement to
20 reflect the fair cash value determined for the property. In all
21 counties which classify property for purposes of taxation in
22 accordance with Section 4 of Article IX of the Illinois
23 Constitution, for parcels of residential property in the lowest
24 assessment classification the statement shall also include a
25 statement to reflect the fair cash value determined for the
26 property.

1 In all counties, the statement must include information
2 that certain taxpayers may be eligible for tax exemptions,
3 abatements, and other assistance programs and that, for more
4 information, taxpayers should consult with the office of their
5 township or county assessor and with the Illinois Department of
6 Revenue.

7 In all counties, the statement shall include information
8 that certain taxpayers may be eligible for the Senior Citizens
9 and Disabled Persons Property Tax Relief and Pharmaceutical
10 Assistance Act and that applications are available from the
11 Illinois Department on Aging.

12 In counties which use the estimated or accelerated billing
13 methods, these statements shall only be provided with the final
14 installment of taxes due. The provisions of this Section create
15 a mandatory statutory duty. They are not merely directory or
16 discretionary. The failure or neglect of the collector to mail
17 the bill, or the failure of the taxpayer to receive the bill,
18 shall not affect the validity of any tax, or the liability for
19 the payment of any tax.

20 (Source: P.A. 97-689, eff. 6-14-12.)

21 (35 ILCS 200/21-27)

22 Sec. 21-27. Waiver of interest penalty.

23 (a) On the recommendation of the county treasurer, the
24 county board may adopt a resolution under which an interest
25 penalty for the delinquent payment of taxes for any year that

1 otherwise would be imposed under Section 21-15, 21-20, or 21-25
2 shall be waived in the case of any person who meets all of the
3 following criteria:

4 (1) The person is determined eligible for a grant under
5 the Senior Citizens and Disabled Persons Property Tax
6 Relief and Pharmaceutical Assistance Act with respect to
7 the taxes for that year.

8 (2) The person requests, in writing, on a form approved
9 by the county treasurer, a waiver of the interest penalty,
10 and the request is filed with the county treasurer on or
11 before the first day of the month that an installment of
12 taxes is due.

13 (3) The person pays the installment of taxes due, in
14 full, on or before the third day of the month that the
15 installment is due.

16 (4) The county treasurer approves the request for a
17 waiver.

18 (b) With respect to property that qualifies as a brownfield
19 site under Section 58.2 of the Environmental Protection Act,
20 the county board, upon the recommendation of the county
21 treasurer, may adopt a resolution to waive an interest penalty
22 for the delinquent payment of taxes for any year that otherwise
23 would be imposed under Section 21-15, 21-20, or 21-25 if all of
24 the following criteria are met:

25 (1) the property has delinquent taxes and an
26 outstanding interest penalty and the amount of that

1 interest penalty is so large as to, possibly, result in all
2 of the taxes becoming uncollectible;

3 (2) the property is part of a redevelopment plan of a
4 unit of local government and that unit of local government
5 does not oppose the waiver of the interest penalty;

6 (3) the redevelopment of the property will benefit the
7 public interest by remediating the brownfield
8 contamination;

9 (4) the taxpayer delivers to the county treasurer (i) a
10 written request for a waiver of the interest penalty, on a
11 form approved by the county treasurer, and (ii) a copy of
12 the redevelopment plan for the property;

13 (5) the taxpayer pays, in full, the amount of up to the
14 amount of the first 2 installments of taxes due, to be held
15 in escrow pending the approval of the waiver, and enters
16 into an agreement with the county treasurer setting forth a
17 schedule for the payment of any remaining taxes due; and

18 (6) the county treasurer approves the request for a
19 waiver.

20 (Source: P.A. 97-655, eff. 1-13-12; 97-689, eff. 6-14-12.)

21 Section 2-28. The Mobile Home Local Services Tax Act is
22 amended by changing Section 7 as follows:

23 (35 ILCS 515/7) (from Ch. 120, par. 1207)

24 Sec. 7. The local services tax for owners of mobile homes

1 who (a) are actually residing in such mobile homes, (b) hold
2 title to such mobile home as provided in the Illinois Vehicle
3 Code, and (c) are 65 years of age or older or are disabled
4 persons within the meaning of Section 3.14 of the "Senior
5 Citizens and Disabled Persons Property Tax Relief and
6 Pharmaceutical Assistance Act" on the annual billing date shall
7 be reduced to 80 percent of the tax provided for in Section 3
8 of this Act. Proof that a claimant has been issued an Illinois
9 Person with a Disability Identification Card stating that the
10 claimant is under a Class 2 disability, as provided in Section
11 4A of the Illinois Identification Card Act, shall constitute
12 proof that the person thereon named is a disabled person within
13 the meaning of this Act. An application for reduction of the
14 tax shall be filed with the county clerk by the individuals who
15 are entitled to the reduction. If the application is filed
16 after May 1, the reduction in tax shall begin with the next
17 annual bill. Application for the reduction in tax shall be done
18 by submitting proof that the applicant has been issued an
19 Illinois Person with a Disability Identification Card
20 designating the applicant's disability as a Class 2 disability,
21 or by affidavit in substantially the following form:

22 APPLICATION FOR REDUCTION OF MOBILE HOME LOCAL SERVICES TAX

23 I hereby make application for a reduction to 80% of the
24 total tax imposed under "An Act to provide for a local services
25 tax on mobile homes".

26 (1) Senior Citizens

1 (a) I actually reside in the mobile home

2 (b) I hold title to the mobile home as provided in the
3 Illinois Vehicle Code

4 (c) I reached the age of 65 on or before either January 1
5 (or July 1) of the year in which this statement is filed. My
6 date of birth is: ...

7 (2) Disabled Persons

8 (a) I actually reside in the mobile home...

9 (b) I hold title to the mobile home as provided in the
10 Illinois Vehicle Code

11 (c) I was totally disabled on ... and have remained
12 disabled until the date of this application. My Social
13 Security, Veterans, Railroad or Civil Service Total Disability
14 Claim Number is ... The undersigned declares under the penalty
15 of perjury that the above statements are true and correct.

16 Dated (insert date).

17

18 Signature of owner

19

20 (Address)

21

22 (City) (State) (Zip)

23 Approved by:

24

25 (Assessor)

1 This application shall be accompanied by a copy of the
2 applicant's most recent application filed with the Illinois
3 Department on Aging under the Senior Citizens and Disabled
4 Persons Property Tax Relief Act.

5 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12;
6 97-1064, eff. 1-1-13; revised 9-20-12.)

7 Section 2-29. The Metropolitan Transit Authority Act is
8 amended by changing Sections 51 and 52 as follows:

9 (70 ILCS 3605/51)

10 Sec. 51. Free services; eligibility.

11 (a) Notwithstanding any law to the contrary, no later than
12 60 days following the effective date of this amendatory Act of
13 the 95th General Assembly and until subsection (b) is
14 implemented, any fixed route public transportation services
15 provided by, or under grant or purchase of service contracts
16 of, the Board shall be provided without charge to all senior
17 citizens of the Metropolitan Region (as such term is defined in
18 70 ILCS 3615/1.03) aged 65 and older, under such conditions as
19 shall be prescribed by the Board.

20 (b) Notwithstanding any law to the contrary, no later than
21 180 days following the effective date of this amendatory Act of
22 the 96th General Assembly, any fixed route public
23 transportation services provided by, or under grant or purchase
24 of service contracts of, the Board shall be provided without

1 charge to senior citizens aged 65 and older who meet the income
2 eligibility limitation set forth in subsection (a-5) of Section
3 4 of the Senior Citizens and Disabled Persons Property Tax
4 Relief and Pharmaceutical Assistance Act, under such
5 conditions as shall be prescribed by the Board. The Department
6 on Aging shall furnish all information reasonably necessary to
7 determine eligibility, including updated lists of individuals
8 who are eligible for services without charge under this
9 Section. Nothing in this Section shall relieve the Board from
10 providing reduced fares as may be required by federal law.

11 (Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

12 (70 ILCS 3605/52)

13 Sec. 52. Transit services for disabled individuals.
14 Notwithstanding any law to the contrary, no later than 60 days
15 following the effective date of this amendatory Act of the 95th
16 General Assembly, all fixed route public transportation
17 services provided by, or under grant or purchase of service
18 contract of, the Board shall be provided without charge to all
19 disabled persons who meet the income eligibility limitation set
20 forth in subsection (a-5) of Section 4 of the Senior Citizens
21 and Disabled Persons Property Tax Relief and Pharmaceutical
22 Assistance Act, under such procedures as shall be prescribed by
23 the Board. The Department on Aging shall furnish all
24 information reasonably necessary to determine eligibility,
25 including updated lists of individuals who are eligible for

1 services without charge under this Section.

2 (Source: P.A. 97-689, eff. 6-14-12.)

3 Section 2-30. The Local Mass Transit District Act is
4 amended by changing Sections 8.6 and 8.7 as follows:

5 (70 ILCS 3610/8.6)

6 Sec. 8.6. Free services; eligibility.

7 (a) Notwithstanding any law to the contrary, no later than
8 60 days following the effective date of this amendatory Act of
9 the 95th General Assembly and until subsection (b) is
10 implemented, any fixed route public transportation services
11 provided by, or under grant or purchase of service contracts
12 of, every District shall be provided without charge to all
13 senior citizens of the District aged 65 and older, under such
14 conditions as shall be prescribed by the District.

15 (b) Notwithstanding any law to the contrary, no later than
16 180 days following the effective date of this amendatory Act of
17 the 96th General Assembly, any fixed route public
18 transportation services provided by, or under grant or purchase
19 of service contracts of, every District shall be provided
20 without charge to senior citizens aged 65 and older who meet
21 the income eligibility limitation set forth in subsection (a-5)
22 of Section 4 of the Senior Citizens and Disabled Persons
23 Property Tax Relief and Pharmaceutical Assistance Act, under
24 such conditions as shall be prescribed by the District. The

1 Department on Aging shall furnish all information reasonably
2 necessary to determine eligibility, including updated lists of
3 individuals who are eligible for services without charge under
4 this Section. Nothing in this Section shall relieve the
5 District from providing reduced fares as may be required by
6 federal law.

7 (Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

8 (70 ILCS 3610/8.7)

9 Sec. 8.7. Transit services for disabled individuals.
10 Notwithstanding any law to the contrary, no later than 60 days
11 following the effective date of this amendatory Act of the 95th
12 General Assembly, all fixed route public transportation
13 services provided by, or under grant or purchase of service
14 contract of, any District shall be provided without charge to
15 all disabled persons who meet the income eligibility limitation
16 set forth in subsection (a-5) of Section 4 of the Senior
17 Citizens and Disabled Persons Property Tax Relief and
18 Pharmaceutical Assistance Act, under such procedures as shall
19 be prescribed by the District. The Department on Aging shall
20 furnish all information reasonably necessary to determine
21 eligibility, including updated lists of individuals who are
22 eligible for services without charge under this Section.

23 (Source: P.A. 97-689, eff. 6-14-12.)

24 Section 2-31. The Regional Transportation Authority Act is

1 amended by changing Sections 3A.15, 3A.16, 3B.14, and 3B.15 as
2 follows:

3 (70 ILCS 3615/3A.15)

4 Sec. 3A.15. Free services; eligibility.

5 (a) Notwithstanding any law to the contrary, no later than
6 60 days following the effective date of this amendatory Act of
7 the 95th General Assembly and until subsection (b) is
8 implemented, any fixed route public transportation services
9 provided by, or under grant or purchase of service contracts
10 of, the Suburban Bus Board shall be provided without charge to
11 all senior citizens of the Metropolitan Region aged 65 and
12 older, under such conditions as shall be prescribed by the
13 Suburban Bus Board.

14 (b) Notwithstanding any law to the contrary, no later than
15 180 days following the effective date of this amendatory Act of
16 the 96th General Assembly, any fixed route public
17 transportation services provided by, or under grant or purchase
18 of service contracts of, the Suburban Bus Board shall be
19 provided without charge to senior citizens aged 65 and older
20 who meet the income eligibility limitation set forth in
21 subsection (a-5) of Section 4 of the Senior Citizens and
22 Disabled Persons Property Tax Relief and Pharmaceutical
23 Assistance Act, under such conditions as shall be prescribed by
24 the Suburban Bus Board. The Department on Aging shall furnish
25 all information reasonably necessary to determine eligibility,

1 including updated lists of individuals who are eligible for
2 services without charge under this Section. Nothing in this
3 Section shall relieve the Suburban Bus Board from providing
4 reduced fares as may be required by federal law.

5 (Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

6 (70 ILCS 3615/3A.16)

7 Sec. 3A.16. Transit services for disabled individuals.
8 Notwithstanding any law to the contrary, no later than 60 days
9 following the effective date of this amendatory Act of the 95th
10 General Assembly, all fixed route public transportation
11 services provided by, or under grant or purchase of service
12 contract of, the Suburban Bus Board shall be provided without
13 charge to all disabled persons who meet the income eligibility
14 limitation set forth in subsection (a-5) of Section 4 of the
15 Senior Citizens and Disabled Persons Property Tax Relief and
16 Pharmaceutical Assistance Act, under such procedures as shall
17 be prescribed by the Board. The Department on Aging shall
18 furnish all information reasonably necessary to determine
19 eligibility, including updated lists of individuals who are
20 eligible for services without charge under this Section.

21 (Source: P.A. 97-689, eff. 6-14-12.)

22 (70 ILCS 3615/3B.14)

23 Sec. 3B.14. Free services; eligibility.

24 (a) Notwithstanding any law to the contrary, no later than

1 60 days following the effective date of this amendatory Act of
2 the 95th General Assembly and until subsection (b) is
3 implemented, any fixed route public transportation services
4 provided by, or under grant or purchase of service contracts
5 of, the Commuter Rail Board shall be provided without charge to
6 all senior citizens of the Metropolitan Region aged 65 and
7 older, under such conditions as shall be prescribed by the
8 Commuter Rail Board.

9 (b) Notwithstanding any law to the contrary, no later than
10 180 days following the effective date of this amendatory Act of
11 the 96th General Assembly, any fixed route public
12 transportation services provided by, or under grant or purchase
13 of service contracts of, the Commuter Rail Board shall be
14 provided without charge to senior citizens aged 65 and older
15 who meet the income eligibility limitation set forth in
16 subsection (a-5) of Section 4 of the Senior Citizens and
17 Disabled Persons Property Tax Relief and Pharmaceutical
18 Assistance Act, under such conditions as shall be prescribed by
19 the Commuter Rail Board. The Department on Aging shall furnish
20 all information reasonably necessary to determine eligibility,
21 including updated lists of individuals who are eligible for
22 services without charge under this Section. Nothing in this
23 Section shall relieve the Commuter Rail Board from providing
24 reduced fares as may be required by federal law.

25 (Source: P.A. 96-1527, eff. 2-14-11; 97-689, eff. 6-14-12.)

1 (70 ILCS 3615/3B.15)

2 Sec. 3B.15. Transit services for disabled individuals.
3 Notwithstanding any law to the contrary, no later than 60 days
4 following the effective date of this amendatory Act of the 95th
5 General Assembly, all fixed route public transportation
6 services provided by, or under grant or purchase of service
7 contract of, the Commuter Rail Board shall be provided without
8 charge to all disabled persons who meet the income eligibility
9 limitation set forth in subsection (a-5) of Section 4 of the
10 Senior Citizens and Disabled Persons Property Tax Relief and
11 Pharmaceutical Assistance Act, under such procedures as shall
12 be prescribed by the Board. The Department on Aging shall
13 furnish all information reasonably necessary to determine
14 eligibility, including updated lists of individuals who are
15 eligible for services without charge under this Section.

16 (Source: P.A. 97-689, eff. 6-14-12.)

17 Section 2-32. The Senior Citizen Courses Act is amended by
18 changing Section 1 as follows:

19 (110 ILCS 990/1) (from Ch. 144, par. 1801)

20 Sec. 1. Definitions. For the purposes of this Act:

21 (a) "Public institutions of higher education" means the
22 University of Illinois, Southern Illinois University, Chicago
23 State University, Eastern Illinois University, Governors State
24 University, Illinois State University, Northeastern Illinois

1 University, Northern Illinois University, Western Illinois
2 University, and the public community colleges subject to the
3 "Public Community College Act".

4 (b) "Credit Course" means any program of study for which
5 public institutions of higher education award credit hours.

6 (c) "Senior citizen" means any person 65 years or older
7 whose annual household income is less than the threshold amount
8 provided in Section 4 of the "Senior Citizens and Disabled
9 Persons Property Tax Relief and Pharmaceutical Assistance
10 Act", approved July 17, 1972, as amended.

11 (Source: P.A. 97-689, eff. 6-14-12.)

12 Section 2-45. The Nursing Home Care Act is amended by
13 changing Section 3-202.05 as follows:

14 (210 ILCS 45/3-202.05)

15 Sec. 3-202.05. Staffing ratios effective July 1, 2010 and
16 thereafter.

17 (a) For the purpose of computing staff to resident ratios,
18 direct care staff shall include:

- 19 (1) registered nurses;
- 20 (2) licensed practical nurses;
- 21 (3) certified nurse assistants;
- 22 (4) psychiatric services rehabilitation aides;
- 23 (5) rehabilitation and therapy aides;
- 24 (6) psychiatric services rehabilitation coordinators;

- 1 (7) assistant directors of nursing;
- 2 (8) 50% of the Director of Nurses' time; and
- 3 (9) 30% of the Social Services Directors' time.

4 The Department shall, by rule, allow certain facilities
5 subject to 77 Ill. Admin. Code 300.4000 and following (Subpart
6 S) and 300.6000 and following (Subpart T) to utilize
7 specialized clinical staff, as defined in rules, to count
8 towards the staffing ratios.

9 ~~Within 120 days of the effective date of this amendatory~~
10 ~~Act of the 97th General Assembly, the Department shall~~
11 ~~promulgate rules specific to the staffing requirements for~~
12 ~~facilities federally defined as Institutions for Mental~~
13 ~~Disease. These rules shall recognize the unique nature of~~
14 ~~individuals with chronic mental health conditions, shall~~
15 ~~include minimum requirements for specialized clinical staff,~~
16 ~~including clinical social workers, psychiatrists,~~
17 ~~psychologists, and direct care staff set forth in paragraphs~~
18 ~~(4) through (6) and any other specialized staff which may be~~
19 ~~utilized and deemed necessary to count toward staffing ratios.~~

20 ~~Within 120 days of the effective date of this amendatory~~
21 ~~Act of the 97th General Assembly, the Department shall~~
22 ~~promulgate rules specific to the staffing requirements for~~
23 ~~facilities licensed under the Specialized Mental Health~~
24 ~~Rehabilitation Act. These rules shall recognize the unique~~
25 ~~nature of individuals with chronic mental health conditions,~~
26 ~~shall include minimum requirements for specialized clinical~~

1 ~~staff, including clinical social workers, psychiatrists,~~
2 ~~psychologists, and direct care staff set forth in paragraphs~~
3 ~~(4) through (6) and any other specialized staff which may be~~
4 ~~utilized and deemed necessary to count toward staffing ratios.~~

5 (b) Beginning January 1, 2011, and thereafter, light
6 intermediate care shall be staffed at the same staffing ratio
7 as intermediate care.

8 (c) Facilities shall notify the Department within 60 days
9 after the effective date of this amendatory Act of the 96th
10 General Assembly, in a form and manner prescribed by the
11 Department, of the staffing ratios in effect on the effective
12 date of this amendatory Act of the 96th General Assembly for
13 both intermediate and skilled care and the number of residents
14 receiving each level of care.

15 (d) (1) Effective July 1, 2010, for each resident needing
16 skilled care, a minimum staffing ratio of 2.5 hours of nursing
17 and personal care each day must be provided; for each resident
18 needing intermediate care, 1.7 hours of nursing and personal
19 care each day must be provided.

20 (2) Effective January 1, 2011, the minimum staffing ratios
21 shall be increased to 2.7 hours of nursing and personal care
22 each day for a resident needing skilled care and 1.9 hours of
23 nursing and personal care each day for a resident needing
24 intermediate care.

25 (3) Effective January 1, 2012, the minimum staffing ratios
26 shall be increased to 3.0 hours of nursing and personal care

1 each day for a resident needing skilled care and 2.1 hours of
2 nursing and personal care each day for a resident needing
3 intermediate care.

4 (4) Effective January 1, 2013, the minimum staffing ratios
5 shall be increased to 3.4 hours of nursing and personal care
6 each day for a resident needing skilled care and 2.3 hours of
7 nursing and personal care each day for a resident needing
8 intermediate care.

9 (5) Effective January 1, 2014, the minimum staffing ratios
10 shall be increased to 3.8 hours of nursing and personal care
11 each day for a resident needing skilled care and 2.5 hours of
12 nursing and personal care each day for a resident needing
13 intermediate care.

14 (e) (Blank). ~~Ninety days after the effective date of this~~
15 ~~amendatory Act of the 97th General Assembly, a minimum of 25%~~
16 ~~of nursing and personal care time shall be provided by licensed~~
17 ~~nurses, with at least 10% of nursing and personal care time~~
18 ~~provided by registered nurses. These minimum requirements~~
19 ~~shall remain in effect until an acuity based registered nurse~~
20 ~~requirement is promulgated by rule concurrent with the adoption~~
21 ~~of the Resource Utilization Group classification based payment~~
22 ~~methodology, as provided in Section 5-5.2 of the Illinois~~
23 ~~Public Aid Code. Registered nurses and licensed practical~~
24 ~~nurses employed by a facility in excess of these requirements~~
25 ~~may be used to satisfy the remaining 75% of the nursing and~~
26 ~~personal care time requirements. Notwithstanding this~~

1 ~~subsection, no staffing requirement in statute in effect on the~~
2 ~~effective date of this amendatory Act of the 97th General~~
3 ~~Assembly shall be reduced on account of this subsection.~~

4 (Source: P.A. 96-1372, eff. 7-29-10; 96-1504, eff. 1-27-11;
5 97-689, eff. 6-14-12.)

6 Section 2-50. The Emergency Medical Services (EMS) Systems
7 Act is amended by changing Section 3.86 as follows:

8 (210 ILCS 50/3.86)

9 Sec. 3.86. Stretcher van providers.

10 (a) In this Section, "stretcher van provider" means an
11 entity licensed by the Department to provide non-emergency
12 transportation of passengers on a stretcher in compliance with
13 this Act or the rules adopted by the Department pursuant to
14 this Act, utilizing stretcher vans.

15 (b) The Department has the authority and responsibility to
16 do the following:

17 (1) Require all stretcher van providers, both publicly
18 and privately owned, to be licensed by the Department.

19 (2) Establish licensing and safety standards and
20 requirements for stretcher van providers, through rules
21 adopted pursuant to this Act, including but not limited to:

22 (A) Vehicle design, specification, operation, and
23 maintenance standards.

24 (B) Safety equipment requirements and standards.

1 (C) Staffing requirements.

2 (D) Annual license renewal.

3 (3) License all stretcher van providers that have met
4 the Department's requirements for licensure.

5 (4) Annually inspect all licensed stretcher van
6 providers, and relicense providers that have met the
7 Department's requirements for license renewal.

8 (5) Suspend, revoke, refuse to issue, or refuse to
9 renew the license of any stretcher van provider, or that
10 portion of a license pertaining to a specific vehicle
11 operated by a provider, after an opportunity for a hearing,
12 when findings show that the provider or one or more of its
13 vehicles has failed to comply with the standards and
14 requirements of this Act or the rules adopted by the
15 Department pursuant to this Act.

16 (6) Issue an emergency suspension order for any
17 provider or vehicle licensed under this Act when the
18 Director or his or her designee has determined that an
19 immediate or serious danger to the public health, safety,
20 and welfare exists. Suspension or revocation proceedings
21 that offer an opportunity for a hearing shall be promptly
22 initiated after the emergency suspension order has been
23 issued.

24 (7) Prohibit any stretcher van provider from
25 advertising, identifying its vehicles, or disseminating
26 information in a false or misleading manner concerning the

1 provider's type and level of vehicles, location, response
2 times, level of personnel, licensure status, or EMS System
3 participation.

4 (8) Charge each stretcher van provider a fee, to be
5 submitted with each application for licensure and license
6 renewal.

7 (c) A stretcher van provider may provide transport of a
8 passenger on a stretcher, provided the passenger meets all of
9 the following requirements:

10 (1) He or she needs no medical equipment, except
11 self-administered medications. ~~(Blank).~~

12
13 (2) He or she needs no medical monitoring or medical
14 observation ~~clinical observation.~~

15 (3) He or she needs routine transportation to or from a
16 medical appointment or service if the passenger is
17 convalescent or otherwise bed-confined and does not
18 require medical monitoring ~~clinical observation~~, aid,
19 care, or treatment during transport.

20 (d) A stretcher van provider may not transport a passenger
21 who meets any of the following conditions:

22 (1) He or she is currently admitted to a hospital or is
23 being transported to a hospital for admission or emergency
24 treatment. ~~He or she is being transported to a hospital for~~
25 ~~emergency medical treatment.~~

26 (2) He or she is acutely ill, wounded, or medically

1 ~~unstable as determined by a licensed physician. He or she~~
2 ~~is experiencing an emergency medical condition or needs~~
3 ~~active medical monitoring, including isolation~~
4 ~~precautions, supplemental oxygen that is not~~
5 ~~self administered, continuous airway management,~~
6 ~~suctioning during transport, or the administration of~~
7 ~~intravenous fluids during transport.~~

8 (3) He or she is experiencing an emergency medical
9 condition, an acute medical condition, an exacerbation of a
10 chronic medical condition, or a sudden illness or injury.

11 (4) He or she was administered a medication that might
12 prevent the passenger from caring for himself or herself.

13 (5) He or she was moved from one environment where
14 24-hour medical monitoring or medical observation will
15 take place by certified or licensed nursing personnel to
16 another such environment. Such environments shall include,
17 but not be limited to, hospitals licensed under the
18 Hospital Licensing Act or operated under the University of
19 Illinois Hospital Act, and nursing facilities licensed
20 under the Nursing Home Care Act.

21 (e) The Stretcher Van Licensure Fund is created as a
22 special fund within the State treasury. All fees received by
23 the Department in connection with the licensure of stretcher
24 van providers under this Section shall be deposited into the
25 fund. Moneys in the fund shall be subject to appropriation to
26 the Department for use in implementing this Section.

1 (Source: P.A. 96-702, eff. 8-25-09; 96-1469, eff. 1-1-11;
2 97-689, eff. 6-14-12.)

3 Section 2-53. The Long Term Acute Care Hospital Quality
4 Improvement Transfer Program Act is amended by changing
5 Sections 35, 40, and 45 as follows:

6 (210 ILCS 155/35)

7 Sec. 35. LTAC supplemental per diem rate.

8 (a) The Department must pay an LTAC supplemental per diem
9 rate calculated under this Section to LTAC hospitals that meet
10 the requirements of Section 15 of this Act for patients:

11 (1) who upon admission to the LTAC hospital meet LTAC
12 hospital criteria; and

13 (2) whose care is primarily paid for by the Department
14 under Title XIX of the Social Security Act or whose care is
15 primarily paid for by the Department after the patient has
16 exhausted his or her benefits under Medicare.

17 (b) The Department must not pay the LTAC supplemental per
18 diem rate calculated under this Section if any of the following
19 conditions are met:

20 (1) the LTAC hospital no longer meets the requirements
21 under Section 15 of this Act or terminates the agreement
22 specified under Section 15 of this Act;

23 (2) the patient does not meet the LTAC hospital
24 criteria upon admission; or

1 (3) the patient's care is primarily paid for by
2 Medicare and the patient has not exhausted his or her
3 Medicare benefits, resulting in the Department becoming
4 the primary payer.

5 (c) The Department may adjust the LTAC supplemental per
6 diem rate calculated under this Section based only on the
7 conditions and requirements described under Section 40 and
8 Section 45 of this Act.

9 (d) The LTAC supplemental per diem rate shall be calculated
10 using the LTAC hospital's inflated cost per diem, defined in
11 subsection (f) of this Section, and subtracting the following:

12 (1) The LTAC hospital's Medicaid per diem inpatient
13 rate as calculated under 89 Ill. Adm. Code 148.270(c)(4).

14 (2) The LTAC hospital's disproportionate share (DSH)
15 rate as calculated under 89 Ill. Adm. Code 148.120.

16 (3) The LTAC hospital's Medicaid Percentage Adjustment
17 (MPA) rate as calculated under 89 Ill. Adm. Code 148.122.

18 (4) The LTAC hospital's Medicaid High Volume
19 Adjustment (MHVA) rate as calculated under 89 Ill. Adm.
20 Code 148.290(d).

21 (e) LTAC supplemental per diem rates are effective for 12
22 months beginning on October 1 of each year and must be updated
23 every 12 months ~~July 1, 2012 shall be the amount in effect as~~
24 ~~of October 1, 2010. No new hospital may qualify for the program~~
25 ~~after the effective date of this amendatory Act of the 97th~~
26 ~~General Assembly.~~

1 (f) For the purposes of this Section, "inflated cost per
2 diem" means the quotient resulting from dividing the hospital's
3 inpatient Medicaid costs by the hospital's Medicaid inpatient
4 days and inflating it to the most current period using
5 methodologies consistent with the calculation of the rates
6 described in paragraphs (2), (3), and (4) of subsection (d).
7 The data is obtained from the LTAC hospital's most recent cost
8 report submitted to the Department as mandated under 89 Ill.
9 Adm. Code 148.210.

10 (g) (Blank). ~~On and after July 1, 2012, the Department~~
11 ~~shall reduce any rate of reimbursement for services or other~~
12 ~~payments or alter any methodologies authorized by this Act or~~
13 ~~the Illinois Public Aid Code to reduce any rate of~~
14 ~~reimbursement for services or other payments in accordance with~~
15 ~~Section 5-5c of the Illinois Public Aid Code.~~

16 (Source: P.A. 96-1130, eff. 7-20-10; 97-689, eff. 6-14-12.)

17 (210 ILCS 155/40)

18 Sec. 40. Rate adjustments for quality measures.

19 (a) The Department may adjust the LTAC supplemental per
20 diem rate calculated under Section 35 of this Act based on the
21 requirements of this Section.

22 (b) After the first year of operation of the Program
23 established by this Act, the Department may reduce the LTAC
24 supplemental per diem rate calculated under Section 35 of this
25 Act by no more than 5% for an LTAC hospital that does not meet

1 benchmarks or targets set by the Department under paragraph (2)
2 of subsection (b) of Section 50.

3 (c) After the first year of operation of the Program
4 established by this Act, the Department may increase the LTAC
5 supplemental per diem rate calculated under Section 35 of this
6 Act by no more than 5% for an LTAC hospital that exceeds the
7 benchmarks or targets set by the Department under paragraph (2)
8 of subsection (a) of Section 50.

9 (d) If an LTAC hospital misses a majority of the benchmarks
10 for quality measures for 3 consecutive years, the Department
11 may reduce the LTAC supplemental per diem rate calculated under
12 Section 35 of this Act to zero.

13 (e) An LTAC hospital whose rate is reduced under subsection
14 (d) of this Section may have the LTAC supplemental per diem
15 rate calculated under Section 35 of this Act reinstated once
16 the LTAC hospital achieves the necessary benchmarks or targets.

17 (f) The Department may apply the reduction described in
18 subsection (d) of this Section after one year instead of 3 to
19 an LTAC hospital that has had its rate previously reduced under
20 subsection (d) of this Section and later has had it reinstated
21 under subsection (e) of this Section.

22 (g) The rate adjustments described in this Section shall be
23 determined and applied only at the beginning of each rate year.

24 (h) (Blank). ~~On and after July 1, 2012, the Department~~
25 ~~shall reduce any rate of reimbursement for services or other~~
26 ~~payments or alter any methodologies authorized by this Act or~~

1 ~~the Illinois Public Aid Code to reduce any rate of~~
2 ~~reimbursement for services or other payments in accordance with~~
3 ~~Section 5-5c of the Illinois Public Aid Code.~~

4 (Source: P.A. 96-1130, eff. 7-20-10; 97-689, eff. 6-14-12.)

5 (210 ILCS 155/45)

6 Sec. 45. Program evaluation.

7 (a) After the Program completes the 3rd full year of
8 operation on September 30, 2013 ~~By September 30, 2012,~~ the
9 Department must complete an evaluation of the Program to
10 determine the actual savings or costs generated by the Program,
11 both on an aggregate basis and on an LTAC hospital-specific
12 basis. The evaluation must be conducted in each subsequent
13 year.

14 (b) The Department and ~~shall consult with~~ qualified LTAC
15 hospitals must ~~to~~ determine the appropriate methodology to
16 accurately calculate the Program's savings and costs. ~~The~~
17 ~~calculation shall take into consideration, but shall not be~~
18 ~~limited to, the length of stay in an acute care hospital prior~~
19 ~~to transfer, the length of stay in the LTAC taking into account~~
20 ~~the acuity of the patient at the time of the LTAC admission,~~
21 ~~and admissions to the LTAC from settings other than an STAC~~
22 ~~hospital.~~

23 (c) The evaluation must also determine the effects the
24 Program has had in improving patient satisfaction and health
25 outcomes.

1 (d) If the evaluation indicates that the Program generates
2 a net cost to the Department, the Department may prospectively
3 adjust an individual hospital's LTAC supplemental per diem rate
4 under Section 35 of this Act to establish cost neutrality. The
5 rate adjustments applied under this subsection (d) do not need
6 to be applied uniformly to all qualified LTAC hospitals as long
7 as the adjustments are based on data from the evaluation on
8 hospital-specific information. Cost neutrality under this
9 Section means that the cost to the Department resulting from
10 the LTAC supplemental per diem rate must not exceed the savings
11 generated from transferring the patient from a STAC hospital.

12 (e) The rate adjustment described in subsection (d) of this
13 Section, if necessary, shall be applied to the LTAC
14 supplemental per diem rate for the rate year beginning October
15 1, 2014. The Department may apply this rate adjustment in
16 subsequent rate years if the conditions under subsection (d) of
17 this Section are met. The Department must apply the rate
18 adjustment to an individual LTAC hospital's LTAC supplemental
19 per diem rate only in years when the Program evaluation
20 indicates a net cost for the Department.

21 (f) The rate adjustments described in this Section shall be
22 determined and applied only at the beginning of each rate year.
23 ~~The Department may establish a shared savings program for~~
24 ~~qualified LTAC hospitals.~~

25 (Source: P.A. 96-1130, eff. 7-20-10; 97-689, eff. 6-14-12.)

1 (210 ILCS 155/55 rep.)

2 Section 2-54. The Long Term Acute Care Hospital Quality
3 Improvement Transfer Program Act is amended by repealing
4 Section 55.

5 Section 2-65. The Children's Health Insurance Program Act
6 is amended by changing Sections 25 and 40 as follows:

7 (215 ILCS 106/25)

8 Sec. 25. Health benefits for children.

9 (a) The Department shall, subject to appropriation,
10 provide health benefits coverage to eligible children by:

11 (1) Subsidizing the cost of privately sponsored health
12 insurance, including employer based health insurance, to
13 assist families to take advantage of available privately
14 sponsored health insurance for their eligible children;
15 and

16 (2) Purchasing or providing health care benefits for
17 eligible children. The health benefits provided under this
18 subdivision (a)(2) shall, subject to appropriation and
19 without regard to any applicable cost sharing under Section
20 30, be identical to the benefits provided for children
21 under the State's approved plan under Title XIX of the
22 Social Security Act. Providers under this subdivision
23 (a)(2) shall be subject to approval by the Department to
24 provide health care under the Illinois Public Aid Code and

1 shall be reimbursed at the same rate as providers under the
2 State's approved plan under Title XIX of the Social
3 Security Act. In addition, providers may retain
4 co-payments when determined appropriate by the Department.

5 (b) The subsidization provided pursuant to subdivision
6 (a) (1) shall be credited to the family of the eligible child.

7 (c) The Department is prohibited from denying coverage to a
8 child who is enrolled in a privately sponsored health insurance
9 plan pursuant to subdivision (a) (1) because the plan does not
10 meet federal benchmarking standards or cost sharing and
11 contribution requirements. To be eligible for inclusion in the
12 Program, the plan shall contain comprehensive major medical
13 coverage which shall consist of physician and hospital
14 inpatient services. The Department is prohibited from denying
15 coverage to a child who is enrolled in a privately sponsored
16 health insurance plan pursuant to subdivision (a) (1) because
17 the plan offers benefits in addition to physician and hospital
18 inpatient services.

19 (d) The total dollar amount of subsidizing coverage per
20 child per month pursuant to subdivision (a) (1) shall be equal
21 to the average dollar payments, less premiums incurred, per
22 child per month pursuant to subdivision (a) (2). The Department
23 shall set this amount prospectively based upon the prior fiscal
24 year's experience adjusted for incurred but not reported claims
25 and estimated increases or decreases in the cost of medical
26 care. Payments obligated before July 1, 1999, will be computed

1 using State Fiscal Year 1996 payments for children eligible for
2 Medical Assistance and income assistance under the Aid to
3 Families with Dependent Children Program, with appropriate
4 adjustments for cost and utilization changes through January 1,
5 1999. The Department is prohibited from providing a subsidy
6 pursuant to subdivision (a)(1) that is more than the
7 individual's monthly portion of the premium.

8 (e) An eligible child may obtain immediate coverage under
9 this Program only once during a medical visit. If coverage
10 lapses, re-enrollment shall be completed in advance of the next
11 covered medical visit and the first month's required premium
12 shall be paid in advance of any covered medical visit.

13 (f) In order to accelerate and facilitate the development
14 of networks to deliver services to children in areas outside
15 counties with populations in excess of 3,000,000, in the event
16 less than 25% of the eligible children in a county or
17 contiguous counties has enrolled with a Health Maintenance
18 Organization pursuant to Section 5-11 of the Illinois Public
19 Aid Code, the Department may develop and implement
20 demonstration projects to create alternative networks designed
21 to enhance enrollment and participation in the program. The
22 Department shall prescribe by rule the criteria, standards, and
23 procedures for effecting demonstration projects under this
24 Section.

25 (g) (Blank). ~~On and after July 1, 2012, the Department~~
26 ~~shall reduce any rate of reimbursement for services or other~~

~~payments or alter any methodologies authorized by this Act or the Illinois Public Aid Code to reduce any rate of reimbursement for services or other payments in accordance with Section 5-5c of the Illinois Public Aid Code.~~

(Source: P.A. 97-689, eff. 6-14-12.)

(215 ILCS 106/40)

Sec. 40. Waivers. (a) The Department shall request any necessary waivers of federal requirements in order to allow receipt of federal funding for: -

(1) the coverage of families with eligible children under this Act; and

(2) the coverage of children who would otherwise be eligible under this Act, but who have health insurance.

(b) The failure of the responsible federal agency to approve a waiver for children who would otherwise be eligible under this Act but who have health insurance shall not prevent the implementation of any Section of this Act provided that there are sufficient appropriated funds.

(c) Eligibility of a person under an approved waiver due to the relationship with a child pursuant to Article V of the Illinois Public Aid Code or this Act shall be limited to such a person whose countable income is determined by the Department to be at or below such income eligibility standard as the Department by rule shall establish. The income level established by the Department shall not be below 90% of the

1 federal poverty level. Such persons who are determined to be
2 eligible must reapply, or otherwise establish eligibility, at
3 least annually. An eligible person shall be required, as
4 determined by the Department by rule, to report promptly those
5 changes in income and other circumstances that affect
6 eligibility. The eligibility of a person may be redetermined
7 based on the information reported or may be terminated based on
8 the failure to report or failure to report accurately. A person
9 may also be held liable to the Department for any payments made
10 by the Department on such person's behalf that were
11 inappropriate. An applicant shall be provided with notice of
12 these obligations.

13 (Source: P.A. 96-328, eff. 8-11-09; 97-689, eff. 6-14-12.)

14 Section 2-70. The Covering ALL KIDS Health Insurance Act is
15 amended by changing Sections 30 and 35 as follows:

16 (215 ILCS 170/30)

17 (Section scheduled to be repealed on July 1, 2016)

18 Sec. 30. Program outreach and marketing. The Department may
19 provide grants to application agents and other community-based
20 organizations to educate the public about the availability of
21 the Program. The Department shall adopt rules regarding
22 performance standards and outcomes measures expected of
23 organizations that are awarded grants under this Section,
24 including penalties for nonperformance of contract standards.

1 The Department shall annually publish electronically on a
2 State website and in no less than 2 newspapers in the State the
3 premiums or other cost sharing requirements of the Program.

4 (Source: P.A. 97-689, eff. 6-14-12.)

5 (215 ILCS 170/35)

6 (Section scheduled to be repealed on July 1, 2016)

7 Sec. 35. Health care benefits for children.

8 (a) The Department shall purchase or provide health care
9 benefits for eligible children that are identical to the
10 benefits provided for children under the Illinois Children's
11 Health Insurance Program Act, except for non-emergency
12 transportation.

13 (b) As an alternative to the benefits set forth in
14 subsection (a), and when cost-effective, the Department may
15 offer families subsidies toward the cost of privately sponsored
16 health insurance, including employer-sponsored health
17 insurance.

18 (c) Notwithstanding clause (i) of subdivision (a)(3) of
19 Section 20, the Department may consider offering, as an
20 alternative to the benefits set forth in subsection (a),
21 partial coverage to children who are enrolled in a
22 high-deductible private health insurance plan.

23 (d) Notwithstanding clause (i) of subdivision (a)(3) of
24 Section 20, the Department may consider offering, as an
25 alternative to the benefits set forth in subsection (a), a

1 limited package of benefits to children in families who have
2 private or employer-sponsored health insurance that does not
3 cover certain benefits such as dental or vision benefits.

4 (e) The content and availability of benefits described in
5 subsections (b), (c), and (d), and the terms of eligibility for
6 those benefits, shall be at the Department's discretion and the
7 Department's determination of efficacy and cost-effectiveness
8 as a means of promoting retention of private or
9 employer-sponsored health insurance.

10 (f) (Blank). ~~On and after July 1, 2012, the Department~~
11 ~~shall reduce any rate of reimbursement for services or other~~
12 ~~payments or alter any methodologies authorized by this Act or~~
13 ~~the Illinois Public Aid Code to reduce any rate of~~
14 ~~reimbursement for services or other payments in accordance with~~
15 ~~Section 5-5c of the Illinois Public Aid Code.~~

16 (Source: P.A. 97-689, eff. 6-14-12.)

17 Section 2-71. The Citizens Utility Board Act is amended by
18 changing Section 9 as follows:

19 (220 ILCS 10/9) (from Ch. 111 2/3, par. 909)

20 Sec. 9. Mailing procedure.

21 (1) As used in this Section:

22 (a) "Enclosure" means a card, leaflet, envelope or
23 combination thereof furnished by the corporation under
24 this Section.

1 (b) "Mailing" means any communication by a State
2 agency, other than a mailing made under the Senior Citizens
3 and Disabled Persons Property Tax Relief and
4 Pharmaceutical Assistance Act, that is sent through the
5 United States Postal Service to more than 50,000 persons
6 within a 12-month period.

7 (c) "State agency" means any officer, department,
8 board, commission, institution or entity of the executive
9 or legislative branches of State government.

10 (2) To accomplish its powers and duties under Section 5
11 this Act, the corporation, subject to the following
12 limitations, may prepare and furnish to any State agency an
13 enclosure to be included with a mailing by that agency.

14 (a) A State agency furnished with an enclosure shall
15 include the enclosure within the mailing designated by the
16 corporation.

17 (b) An enclosure furnished by the corporation under
18 this Section shall be provided to the State agency a
19 reasonable period of time in advance of the mailing.

20 (c) An enclosure furnished by the corporation under
21 this Section shall be limited to informing the reader of
22 the purpose, nature and activities of the corporation as
23 set forth in this Act and informing the reader that it may
24 become a member in the corporation, maintain membership in
25 the corporation and contribute money to the corporation
26 directly.

1 (d) Prior to furnishing an enclosure to the State
2 agency, the corporation shall seek and obtain approval of
3 the content of the enclosure from the Illinois Commerce
4 Commission. The Commission shall approve the enclosure if
5 it determines that the enclosure (i) is not false or
6 misleading and (ii) satisfies the requirements of this Act.
7 The Commission shall be deemed to have approved the
8 enclosure unless it disapproves the enclosure within 14
9 days from the date of receipt.

10 (3) The corporation shall reimburse each State agency for
11 all reasonable incremental costs incurred by the State agency
12 in complying with this Section above the agency's normal
13 mailing and handling costs, provided that:

14 (a) The State agency shall first furnish the
15 corporation with an itemized accounting of such additional
16 cost; and

17 (b) The corporation shall not be required to reimburse
18 the State agency for postage costs if the weight of the
19 corporation's enclosure does not exceed .35 ounce
20 avoirdupois. If the corporation's enclosure exceeds that
21 weight, then it shall only be required to reimburse the
22 State agency for postage cost over and above what the
23 agency's postage cost would have been had the enclosure
24 weighed only .35 ounce avoirdupois.

25 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

1 Section 2-75. The Illinois Public Aid Code is amended by
2 changing Sections 3-1.2, 3-5, 4-1.6, 4-2, 5-2, 5-4, 5-4.1,
3 5-4.2, 5-5, 5-5.02, 5-5.05, 5-5.2, 5-5.3, 5-5.4, 5-5.4e, 5-5.5,
4 5-5.8b, 5-5.12, 5-5.17, 5-5.20, 5-5.23, 5-5.24, 5-5.25,
5 5-16.7, 5-16.7a, 5-16.8, 5-16.9, 5-17, 5-19, 5-24, 5-30, 5A-1,
6 5A-2, 5A-3, 5A-4, 5A-5, 5A-6, 5A-8, 5A-10, 5A-12.2, 5A-14,
7 6-1.2, 6-2, 6-11, 11-13, 11-26, 12-4.25, 12-4.38, 12-4.39,
8 12-9, 12-10.5, 12-13.1, 14-8, and 15-1 and by adding Sections
9 5-5.4h and 5-5.4i as follows:

10 (305 ILCS 5/3-1.2) (from Ch. 23, par. 3-1.2)

11 Sec. 3-1.2. Need. Income available to the person, when
12 added to contributions in money, substance, or services from
13 other sources, including contributions from legally
14 responsible relatives, must be insufficient to equal the grant
15 amount established by Department regulation for such person.

16 In determining earned income to be taken into account,
17 consideration shall be given to any expenses reasonably
18 attributable to the earning of such income. If federal law or
19 regulations permit or require exemption of earned or other
20 income and resources, the Illinois Department shall provide by
21 rule and regulation that the amount of income to be disregarded
22 be increased (1) to the maximum extent so required and (2) to
23 the maximum extent permitted by federal law or regulation in
24 effect as of the date this Amendatory Act becomes law. The
25 Illinois Department may also provide by rule and regulation

1 that the amount of resources to be disregarded be increased to
2 the maximum extent so permitted or required. ~~Subject to federal~~
3 ~~approval, resources (for example, land, buildings, equipment,~~
4 ~~supplies, or tools), including farmland property and personal~~
5 ~~property used in the income producing operations related to the~~
6 ~~farmland (for example, equipment and supplies, motor vehicles,~~
7 ~~or tools), necessary for self support, up to \$6,000 of the~~
8 ~~person's equity in the income producing property, provided~~
9 ~~that the property produces a net annual income of at least 6%~~
10 ~~of the excluded equity value of the property, are exempt.~~
11 ~~Equity value in excess of \$6,000 shall not be excluded if the~~
12 ~~activity produces income that is less than 6% of the exempt~~
13 ~~equity due to reasons beyond the person's control (for example,~~
14 ~~the person's illness or crop failure) and there is a reasonable~~
15 ~~expectation that the property will again produce income equal~~
16 ~~to or greater than 6% of the equity value (for example, a~~
17 ~~medical prognosis that the person is expected to respond to~~
18 ~~treatment or that drought resistant corn will be planted). If~~
19 ~~the person owns more than one piece of property and each~~
20 ~~produces income, each piece of property shall be looked at to~~
21 ~~determine whether the 6% rule is met, and then the amounts of~~
22 ~~the person's equity in all of those properties shall be totaled~~
23 ~~to determine whether the total equity is \$6,000 or less. The~~
24 ~~total equity value of all properties that is exempt shall be~~
25 ~~limited to \$6,000.~~

26 In determining the resources of an individual or any

1 dependents, the Department shall exclude from consideration
2 the value of funeral and burial spaces, grave markers and other
3 funeral and burial merchandise, funeral and burial insurance
4 the proceeds of which can only be used to pay the funeral and
5 burial expenses of the insured and funds specifically set aside
6 for the funeral and burial arrangements of the individual or
7 his or her dependents, including prepaid funeral and burial
8 plans, to the same extent that such items are excluded from
9 consideration under the federal Supplemental Security Income
10 program ~~(SSI)~~.

11 ~~Prepaid funeral or burial contracts are exempt to the~~
12 ~~following extent:~~

13 ~~(1) Funds in a revocable prepaid funeral or burial~~
14 ~~contract are exempt up to \$1,500, except that any portion~~
15 ~~of a contract that clearly represents the purchase of~~
16 ~~burial space, as that term is defined for purposes of the~~
17 ~~Supplemental Security Income program, is exempt regardless~~
18 ~~of value.~~

19 ~~(2) Funds in an irrevocable prepaid funeral or burial~~
20 ~~contract are exempt up to \$5,874, except that any portion~~
21 ~~of a contract that clearly represents the purchase of~~
22 ~~burial space, as that term is defined for purposes of the~~
23 ~~Supplemental Security Income program, is exempt regardless~~
24 ~~of value. This amount shall be adjusted annually for any~~
25 ~~increase in the Consumer Price Index. The amount exempted~~
26 ~~shall be limited to the price of the funeral goods and~~

1 ~~services to be provided upon death. The contract must~~
2 ~~provide a complete description of the funeral goods and~~
3 ~~services to be provided and the price thereof. Any amount~~
4 ~~in the contract not so specified shall be treated as a~~
5 ~~transfer of assets for less than fair market value.~~

6 ~~(3) A prepaid, guaranteed price funeral or burial~~
7 ~~contract, funded by an irrevocable assignment of a person's~~
8 ~~life insurance policy to a trust, is exempt. The amount~~
9 ~~exempted shall be limited to the amount of the insurance~~
10 ~~benefit designated for the cost of the funeral goods and~~
11 ~~services to be provided upon the person's death. The~~
12 ~~contract must provide a complete description of the funeral~~
13 ~~goods and services to be provided and the price thereof.~~
14 ~~Any amount in the contract not so specified shall be~~
15 ~~treated as a transfer of assets for less than fair market~~
16 ~~value. The trust must include a statement that, upon the~~
17 ~~death of the person, the State will receive all amounts~~
18 ~~remaining in the trust, including any remaining payable~~
19 ~~proceeds under the insurance policy up to an amount equal~~
20 ~~to the total medical assistance paid on behalf of the~~
21 ~~person. The trust is responsible for ensuring that the~~
22 ~~provider of funeral services under the contract receives~~
23 ~~the proceeds of the policy when it provides the funeral~~
24 ~~goods and services specified under the contract. The~~
25 ~~irrevocable assignment of ownership of the insurance~~
26 ~~policy must be acknowledged by the insurance company.~~

1 ~~Notwithstanding any other provision of this Code to the~~
2 ~~contrary, an irrevocable trust containing the resources of a~~
3 ~~person who is determined to have a disability shall be~~
4 ~~considered exempt from consideration. Such trust must be~~
5 ~~established and managed by a non profit association that pools~~
6 ~~funds but maintains a separate account for each beneficiary.~~
7 ~~The trust may be established by the person, a parent,~~
8 ~~grandparent, legal guardian, or court. It must be established~~
9 ~~for the sole benefit of the person and language contained in~~
10 ~~the trust shall stipulate that any amount remaining in the~~
11 ~~trust (up to the amount expended by the Department on medical~~
12 ~~assistance) that is not retained by the trust for reasonable~~
13 ~~administrative costs related to wrapping up the affairs of the~~
14 ~~subaccount shall be paid to the Department upon the death of~~
15 ~~the person. After a person reaches age 65, any funding by or on~~
16 ~~behalf of the person to the trust shall be treated as a~~
17 ~~transfer of assets for less than fair market value unless the~~
18 ~~person is a ward of a county public guardian or the State~~
19 ~~guardian pursuant to Section 13-5 of the Probate Act of 1975 or~~
20 ~~Section 30 of the Guardianship and Advocacy Act and lives in~~
21 ~~the community, or the person is a ward of a county public~~
22 ~~guardian or the State guardian pursuant to Section 13-5 of the~~
23 ~~Probate Act of 1975 or Section 30 of the Guardianship and~~
24 ~~Advocacy Act and a court has found that any expenditures from~~
25 ~~the trust will maintain or enhance the person's quality of~~
26 ~~life. If the trust contains proceeds from a personal injury~~

1 ~~settlement, any Department charge must be satisfied in order~~
2 ~~for the transfer to the trust to be treated as a transfer for~~
3 ~~fair market value.~~

4 The homestead shall be exempt from consideration except to
5 the extent that it meets the income and shelter needs of the
6 person. "Homestead" means the dwelling house and contiguous
7 real estate owned and occupied by the person, regardless of its
8 value. ~~Subject to federal approval, a person shall not be~~
9 ~~eligible for long term care services, however, if the person's~~
10 ~~equity interest in his or her homestead exceeds the minimum~~
11 ~~home equity as allowed and increased annually under federal~~
12 ~~law. Subject to federal approval, on and after the effective~~
13 ~~date of this amendatory Act of the 97th General Assembly,~~
14 ~~homestead property transferred to a trust shall no longer be~~
15 ~~considered homestead property.~~

16 Occasional or irregular gifts in cash, goods or services
17 from persons who are not legally responsible relatives which
18 are of nominal value or which do not have significant effect in
19 meeting essential requirements shall be disregarded. The
20 eligibility of any applicant for or recipient of public aid
21 under this Article is not affected by the payment of any grant
22 under the "Senior Citizens and Disabled Persons Property Tax
23 Relief and Pharmaceutical Assistance Act" or any distributions
24 or items of income described under subparagraph (X) of
25 paragraph (2) of subsection (a) of Section 203 of the Illinois
26 Income Tax Act.

1 The Illinois Department may, after appropriate
2 investigation, establish and implement a consolidated standard
3 to determine need and eligibility for and amount of benefits
4 under this Article or a uniform cash supplement to the federal
5 Supplemental Security Income program for all or any part of the
6 then current recipients under this Article; provided, however,
7 that the establishment or implementation of such a standard or
8 supplement shall not result in reductions in benefits under
9 this Article for the then current recipients of such benefits.

10 (Source: P.A. 97-689, eff. 6-14-12.)

11 (305 ILCS 5/3-5) (from Ch. 23, par. 3-5)

12 Sec. 3-5. Amount of aid. The amount and nature of financial
13 aid granted to or in behalf of aged, blind, or disabled persons
14 shall be determined in accordance with the standards, grant
15 amounts, rules and regulations of the Illinois Department. Due
16 regard shall be given to the requirements and conditions
17 existing in each case, and to the amount of property owned and
18 the income, money contributions, and other support, and
19 resources received or obtainable by the person, from whatever
20 source. However, the amount and nature of any financial aid is
21 not affected by the payment of any grant under the "Senior
22 Citizens and Disabled Persons Property Tax Relief and
23 Pharmaceutical Assistance Act" or any distributions or items of
24 income described under subparagraph (X) of paragraph (2) of
25 subsection (a) of Section 203 of the Illinois Income Tax Act.

1 The aid shall be sufficient, when added to all other income,
2 money contributions and support, to provide the person with a
3 grant in the amount established by Department regulation for
4 such a person, based upon standards providing a livelihood
5 compatible with health and well-being. Financial aid under this
6 Article granted to persons who have been found ineligible for
7 Supplemental Security Income (SSI) due to expiration of the
8 period of eligibility for refugees and asylees pursuant to 8
9 U.S.C. 1612(a)(2) shall not exceed \$500 per month.

10 (Source: P.A. 97-689, eff. 6-14-12.)

11 (305 ILCS 5/4-1.6) (from Ch. 23, par. 4-1.6)

12 Sec. 4-1.6. Need. Income available to the family as defined
13 by the Illinois Department by rule, or to the child in the case
14 of a child removed from his or her home, when added to
15 contributions in money, substance or services from other
16 sources, including income available from parents absent from
17 the home or from a stepparent, contributions made for the
18 benefit of the parent or other persons necessary to provide
19 care and supervision to the child, and contributions from
20 legally responsible relatives, must be equal to or less than
21 the grant amount established by Department regulation for such
22 a person. For purposes of eligibility for aid under this
23 Article, the Department shall disregard all earned income
24 between the grant amount and 50% of the Federal Poverty Level.

25 In considering income to be taken into account,

1 consideration shall be given to any expenses reasonably
2 attributable to the earning of such income. Three-fourths of
3 the earned income of a household eligible for aid under this
4 Article shall be disregarded when determining the level of
5 assistance for which a household is eligible. The Illinois
6 Department may also permit all or any portion of earned or
7 other income to be set aside for the future identifiable needs
8 of a child. The Illinois Department may provide by rule and
9 regulation for the exemptions thus permitted or required. The
10 eligibility of any applicant for or recipient of public aid
11 under this Article is not affected by the payment of any grant
12 under the "Senior Citizens and Disabled Persons Property Tax
13 Relief and Pharmaceutical Assistance Act" or any distributions
14 or items of income described under subparagraph (X) of
15 paragraph (2) of subsection (a) of Section 203 of the Illinois
16 Income Tax Act.

17 The Illinois Department may, by rule, set forth criteria
18 under which an assistance unit is ineligible for cash
19 assistance under this Article for a specified number of months
20 due to the receipt of a lump sum payment.

21 (Source: P.A. 96-866, eff. 7-1-10; 97-689, eff. 6-14-12.)

22 (305 ILCS 5/4-2) (from Ch. 23, par. 4-2)

23 Sec. 4-2. Amount of aid.

24 (a) The amount and nature of financial aid shall be
25 determined in accordance with the grant amounts, rules and

1 regulations of the Illinois Department. Due regard shall be
2 given to the self-sufficiency requirements of the family and to
3 the income, money contributions and other support and resources
4 available, from whatever source. However, the amount and nature
5 of any financial aid is not affected by the payment of any
6 grant under the "Senior Citizens and Disabled Persons Property
7 Tax Relief and Pharmaceutical Assistance Act" or any
8 distributions or items of income described under subparagraph
9 (X) of paragraph (2) of subsection (a) of Section 203 of the
10 Illinois Income Tax Act. The aid shall be sufficient, when
11 added to all other income, money contributions and support to
12 provide the family with a grant in the amount established by
13 Department regulation.

14 Subject to appropriation, beginning on July 1, 2008, the
15 Department of Human Services shall increase TANF grant amounts
16 in effect on June 30, 2008 by 15%. The Department is authorized
17 to administer this increase but may not otherwise adopt any
18 rule to implement this increase.

19 (b) The Illinois Department may conduct special projects,
20 which may be known as Grant Diversion Projects, under which
21 recipients of financial aid under this Article are placed in
22 jobs and their grants are diverted to the employer who in turn
23 makes payments to the recipients in the form of salary or other
24 employment benefits. The Illinois Department shall by rule
25 specify the terms and conditions of such Grant Diversion
26 Projects. Such projects shall take into consideration and be

1 coordinated with the programs administered under the Illinois
2 Emergency Employment Development Act.

3 (c) The amount and nature of the financial aid for a child
4 requiring care outside his own home shall be determined in
5 accordance with the rules and regulations of the Illinois
6 Department, with due regard to the needs and requirements of
7 the child in the foster home or institution in which he has
8 been placed.

9 (d) If the Department establishes grants for family units
10 consisting exclusively of a pregnant woman with no dependent
11 child or including her husband if living with her, the grant
12 amount for such a unit shall be equal to the grant amount for
13 an assistance unit consisting of one adult, or 2 persons if the
14 husband is included. Other than as herein described, an unborn
15 child shall not be counted in determining the size of an
16 assistance unit or for calculating grants.

17 Payments for basic maintenance requirements of a child or
18 children and the relative with whom the child or children are
19 living shall be prescribed, by rule, by the Illinois
20 Department.

21 Grants under this Article shall not be supplemented by
22 General Assistance provided under Article VI.

23 (e) Grants shall be paid to the parent or other person with
24 whom the child or children are living, except for such amount
25 as is paid in behalf of the child or his parent or other
26 relative to other persons or agencies pursuant to this Code or

1 the rules and regulations of the Illinois Department.

2 (f) Subject to subsection (f-5), an assistance unit,
3 receiving financial aid under this Article or temporarily
4 ineligible to receive aid under this Article under a penalty
5 imposed by the Illinois Department for failure to comply with
6 the eligibility requirements or that voluntarily requests
7 termination of financial assistance under this Article and
8 becomes subsequently eligible for assistance within 9 months,
9 shall not receive any increase in the amount of aid solely on
10 account of the birth of a child; except that an increase is not
11 prohibited when the birth is (i) of a child of a pregnant woman
12 who became eligible for aid under this Article during the
13 pregnancy, or (ii) of a child born within 10 months after the
14 date of implementation of this subsection, or (iii) of a child
15 conceived after a family became ineligible for assistance due
16 to income or marriage and at least 3 months of ineligibility
17 expired before any reapplication for assistance. This
18 subsection does not, however, prevent a unit from receiving a
19 general increase in the amount of aid that is provided to all
20 recipients of aid under this Article.

21 The Illinois Department is authorized to transfer funds,
22 and shall use any budgetary savings attributable to not
23 increasing the grants due to the births of additional children,
24 to supplement existing funding for employment and training
25 services for recipients of aid under this Article IV. The
26 Illinois Department shall target, to the extent the

1 supplemental funding allows, employment and training services
2 to the families who do not receive a grant increase after the
3 birth of a child. In addition, the Illinois Department shall
4 provide, to the extent the supplemental funding allows, such
5 families with up to 24 months of transitional child care
6 pursuant to Illinois Department rules. All remaining
7 supplemental funds shall be used for employment and training
8 services or transitional child care support.

9 In making the transfers authorized by this subsection, the
10 Illinois Department shall first determine, pursuant to
11 regulations adopted by the Illinois Department for this
12 purpose, the amount of savings attributable to not increasing
13 the grants due to the births of additional children. Transfers
14 may be made from General Revenue Fund appropriations for
15 distributive purposes authorized by Article IV of this Code
16 only to General Revenue Fund appropriations for employability
17 development services including operating and administrative
18 costs and related distributive purposes under Article IXA of
19 this Code. The Director, with the approval of the Governor,
20 shall certify the amount and affected line item appropriations
21 to the State Comptroller.

22 Nothing in this subsection shall be construed to prohibit
23 the Illinois Department from using funds under this Article IV
24 to provide assistance in the form of vouchers that may be used
25 to pay for goods and services deemed by the Illinois
26 Department, by rule, as suitable for the care of the child such

1 as diapers, clothing, school supplies, and cribs.

2 (f-5) Subsection (f) shall not apply to affect the monthly
3 assistance amount of any family as a result of the birth of a
4 child on or after January 1, 2004. As resources permit after
5 January 1, 2004, the Department may cease applying subsection
6 (f) to limit assistance to families receiving assistance under
7 this Article on January 1, 2004, with respect to children born
8 prior to that date. In any event, subsection (f) shall be
9 completely inoperative on and after July 1, 2007.

10 (g) (Blank).

11 (h) Notwithstanding any other provision of this Code, the
12 Illinois Department is authorized to reduce payment levels used
13 to determine cash grants under this Article after December 31
14 of any fiscal year if the Illinois Department determines that
15 the caseload upon which the appropriations for the current
16 fiscal year are based have increased by more than 5% and the
17 appropriation is not sufficient to ensure that cash benefits
18 under this Article do not exceed the amounts appropriated for
19 those cash benefits. Reductions in payment levels may be
20 accomplished by emergency rule under Section 5-45 of the
21 Illinois Administrative Procedure Act, except that the
22 limitation on the number of emergency rules that may be adopted
23 in a 24-month period shall not apply and the provisions of
24 Sections 5-115 and 5-125 of the Illinois Administrative
25 Procedure Act shall not apply. Increases in payment levels
26 shall be accomplished only in accordance with Section 5-40 of

1 the Illinois Administrative Procedure Act. Before any rule to
2 increase payment levels promulgated under this Section shall
3 become effective, a joint resolution approving the rule must be
4 adopted by a roll call vote by a majority of the members
5 elected to each chamber of the General Assembly.

6 (Source: P.A. 96-1000, eff. 7-2-10; 97-689, eff. 6-14-12.)

7 (305 ILCS 5/5-2) (from Ch. 23, par. 5-2)

8 Sec. 5-2. Classes of Persons Eligible. Medical assistance
9 under this Article shall be available to any of the following
10 classes of persons in respect to whom a plan for coverage has
11 been submitted to the Governor by the Illinois Department and
12 approved by him:

13 1. Recipients of basic maintenance grants under
14 Articles III and IV.

15 2. Persons otherwise eligible for basic maintenance
16 under Articles III and IV, excluding any eligibility
17 requirements that are inconsistent with any federal law or
18 federal regulation, as interpreted by the U.S. Department
19 of Health and Human Services, but who fail to qualify
20 thereunder on the basis of need or who qualify but are not
21 receiving basic maintenance under Article IV, and who have
22 insufficient income and resources to meet the costs of
23 necessary medical care, including but not limited to the
24 following:

25 (a) All persons otherwise eligible for basic

1 maintenance under Article III but who fail to qualify
2 under that Article on the basis of need and who meet
3 either of the following requirements:

4 (i) their income, as determined by the
5 Illinois Department in accordance with any federal
6 requirements, is equal to or less than 70% in
7 fiscal year 2001, equal to or less than 85% in
8 fiscal year 2002 and until a date to be determined
9 by the Department by rule, and equal to or less
10 than 100% beginning on the date determined by the
11 Department by rule, of the nonfarm income official
12 poverty line, as defined by the federal Office of
13 Management and Budget and revised annually in
14 accordance with Section 673(2) of the Omnibus
15 Budget Reconciliation Act of 1981, applicable to
16 families of the same size; or

17 (ii) their income, after the deduction of
18 costs incurred for medical care and for other types
19 of remedial care, is equal to or less than 70% in
20 fiscal year 2001, equal to or less than 85% in
21 fiscal year 2002 and until a date to be determined
22 by the Department by rule, and equal to or less
23 than 100% beginning on the date determined by the
24 Department by rule, of the nonfarm income official
25 poverty line, as defined in item (i) of this
26 subparagraph (a).

1 (b) All persons who, excluding any eligibility
2 requirements that are inconsistent with any federal
3 law or federal regulation, as interpreted by the U.S.
4 Department of Health and Human Services, would be
5 determined eligible for such basic maintenance under
6 Article IV by disregarding the maximum earned income
7 permitted by federal law.

8 3. Persons who would otherwise qualify for Aid to the
9 Medically Indigent under Article VII.

10 4. Persons not eligible under any of the preceding
11 paragraphs who fall sick, are injured, or die, not having
12 sufficient money, property or other resources to meet the
13 costs of necessary medical care or funeral and burial
14 expenses.

15 5.(a) Women during pregnancy, after the fact of
16 pregnancy has been determined by medical diagnosis, and
17 during the 60-day period beginning on the last day of the
18 pregnancy, together with their infants and children born
19 after September 30, 1983, whose income and resources are
20 insufficient to meet the costs of necessary medical care to
21 the maximum extent possible under Title XIX of the Federal
22 Social Security Act.

23 (b) The Illinois Department and the Governor shall
24 provide a plan for coverage of the persons eligible under
25 paragraph 5(a) by April 1, 1990. Such plan shall provide
26 ambulatory prenatal care to pregnant women during a

1 presumptive eligibility period and establish an income
2 eligibility standard that is equal to 133% of the nonfarm
3 income official poverty line, as defined by the federal
4 Office of Management and Budget and revised annually in
5 accordance with Section 673(2) of the Omnibus Budget
6 Reconciliation Act of 1981, applicable to families of the
7 same size, provided that costs incurred for medical care
8 are not taken into account in determining such income
9 eligibility.

10 (c) The Illinois Department may conduct a
11 demonstration in at least one county that will provide
12 medical assistance to pregnant women, together with their
13 infants and children up to one year of age, where the
14 income eligibility standard is set up to 185% of the
15 nonfarm income official poverty line, as defined by the
16 federal Office of Management and Budget. The Illinois
17 Department shall seek and obtain necessary authorization
18 provided under federal law to implement such a
19 demonstration. Such demonstration may establish resource
20 standards that are not more restrictive than those
21 established under Article IV of this Code.

22 6. Persons under the age of 18 who fail to qualify as
23 dependent under Article IV and who have insufficient income
24 and resources to meet the costs of necessary medical care
25 to the maximum extent permitted under Title XIX of the
26 Federal Social Security Act.

1 7. Persons who are under 21 years of age and would
2 qualify as disabled as defined under the Federal
3 Supplemental Security Income Program, provided medical
4 service for such persons would be eligible for Federal
5 Financial Participation, and provided the Illinois
6 Department determines that: ~~(Blank)~~.

7 (a) the person requires a level of care provided by
8 a hospital, skilled nursing facility, or intermediate
9 care facility, as determined by a physician licensed to
10 practice medicine in all its branches;

11 (b) it is appropriate to provide such care outside
12 of an institution, as determined by a physician
13 licensed to practice medicine in all its branches;

14 (c) the estimated amount which would be expended
15 for care outside the institution is not greater than
16 the estimated amount which would be expended in an
17 institution.

18 8. Persons who become ineligible for basic maintenance
19 assistance under Article IV of this Code in programs
20 administered by the Illinois Department due to employment
21 earnings and persons in assistance units comprised of
22 adults and children who become ineligible for basic
23 maintenance assistance under Article VI of this Code due to
24 employment earnings. The plan for coverage for this class
25 of persons shall:

26 (a) extend the medical assistance coverage for up

1 to 12 months following termination of basic
2 maintenance assistance; and

3 (b) offer persons who have initially received 6
4 months of the coverage provided in paragraph (a) above,
5 the option of receiving an additional 6 months of
6 coverage, subject to the following:

7 (i) such coverage shall be pursuant to
8 provisions of the federal Social Security Act;

9 (ii) such coverage shall include all services
10 covered while the person was eligible for basic
11 maintenance assistance;

12 (iii) no premium shall be charged for such
13 coverage; and

14 (iv) such coverage shall be suspended in the
15 event of a person's failure without good cause to
16 file in a timely fashion reports required for this
17 coverage under the Social Security Act and
18 coverage shall be reinstated upon the filing of
19 such reports if the person remains otherwise
20 eligible.

21 9. Persons with acquired immunodeficiency syndrome
22 (AIDS) or with AIDS-related conditions with respect to whom
23 there has been a determination that but for home or
24 community-based services such individuals would require
25 the level of care provided in an inpatient hospital,
26 skilled nursing facility or intermediate care facility the

1 cost of which is reimbursed under this Article. Assistance
2 shall be provided to such persons to the maximum extent
3 permitted under Title XIX of the Federal Social Security
4 Act.

5 10. Participants in the long-term care insurance
6 partnership program established under the Illinois
7 Long-Term Care Partnership Program Act who meet the
8 qualifications for protection of resources described in
9 Section 15 of that Act.

10 11. Persons with disabilities who are employed and
11 eligible for Medicaid, pursuant to Section
12 1902(a)(10)(A)(ii)(xv) of the Social Security Act, and,
13 subject to federal approval, persons with a medically
14 improved disability who are employed and eligible for
15 Medicaid pursuant to Section 1902(a)(10)(A)(ii)(xvi) of
16 the Social Security Act, as provided by the Illinois
17 Department by rule. In establishing eligibility standards
18 under this paragraph 11, the Department shall, subject to
19 federal approval:

20 (a) set the income eligibility standard at not
21 lower than 350% of the federal poverty level;

22 (b) exempt retirement accounts that the person
23 cannot access without penalty before the age of 59 1/2,
24 and medical savings accounts established pursuant to
25 26 U.S.C. 220;

26 (c) allow non-exempt assets up to \$25,000 as to

1 those assets accumulated during periods of eligibility
2 under this paragraph 11; and

3 (d) continue to apply subparagraphs (b) and (c) in
4 determining the eligibility of the person under this
5 Article even if the person loses eligibility under this
6 paragraph 11.

7 12. Subject to federal approval, persons who are
8 eligible for medical assistance coverage under applicable
9 provisions of the federal Social Security Act and the
10 federal Breast and Cervical Cancer Prevention and
11 Treatment Act of 2000. Those eligible persons are defined
12 to include, but not be limited to, the following persons:

13 (1) persons who have been screened for breast or
14 cervical cancer under the U.S. Centers for Disease
15 Control and Prevention Breast and Cervical Cancer
16 Program established under Title XV of the federal
17 Public Health Services Act in accordance with the
18 requirements of Section 1504 of that Act as
19 administered by the Illinois Department of Public
20 Health; and

21 (2) persons whose screenings under the above
22 program were funded in whole or in part by funds
23 appropriated to the Illinois Department of Public
24 Health for breast or cervical cancer screening.

25 "Medical assistance" under this paragraph 12 shall be
26 identical to the benefits provided under the State's

1 approved plan under Title XIX of the Social Security Act.
2 The Department must request federal approval of the
3 coverage under this paragraph 12 within 30 days after the
4 effective date of this amendatory Act of the 92nd General
5 Assembly.

6 In addition to the persons who are eligible for medical
7 assistance pursuant to subparagraphs (1) and (2) of this
8 paragraph 12, and to be paid from funds appropriated to the
9 Department for its medical programs, any uninsured person
10 as defined by the Department in rules residing in Illinois
11 who is younger than 65 years of age, who has been screened
12 for breast and cervical cancer in accordance with standards
13 and procedures adopted by the Department of Public Health
14 for screening, and who is referred to the Department by the
15 Department of Public Health as being in need of treatment
16 for breast or cervical cancer is eligible for medical
17 assistance benefits that are consistent with the benefits
18 provided to those persons described in subparagraphs (1)
19 and (2). Medical assistance coverage for the persons who
20 are eligible under the preceding sentence is not dependent
21 on federal approval, but federal moneys may be used to pay
22 for services provided under that coverage upon federal
23 approval.

24 13. Subject to appropriation and to federal approval,
25 persons living with HIV/AIDS who are not otherwise eligible
26 under this Article and who qualify for services covered

1 under Section 5-5.04 as provided by the Illinois Department
2 by rule.

3 14. Subject to the availability of funds for this
4 purpose, the Department may provide coverage under this
5 Article to persons who reside in Illinois who are not
6 eligible under any of the preceding paragraphs and who meet
7 the income guidelines of paragraph 2(a) of this Section and
8 (i) have an application for asylum pending before the
9 federal Department of Homeland Security or on appeal before
10 a court of competent jurisdiction and are represented
11 either by counsel or by an advocate accredited by the
12 federal Department of Homeland Security and employed by a
13 not-for-profit organization in regard to that application
14 or appeal, or (ii) are receiving services through a
15 federally funded torture treatment center. Medical
16 coverage under this paragraph 14 may be provided for up to
17 24 continuous months from the initial eligibility date so
18 long as an individual continues to satisfy the criteria of
19 this paragraph 14. If an individual has an appeal pending
20 regarding an application for asylum before the Department
21 of Homeland Security, eligibility under this paragraph 14
22 may be extended until a final decision is rendered on the
23 appeal. The Department may adopt rules governing the
24 implementation of this paragraph 14.

25 15. Family Care Eligibility.

26 (a) Through December 31, 2013 ~~On and after July 1,~~

1 ~~2012~~, a caretaker relative who is 19 years of age or
2 older when countable income is at or below 185% ~~133%~~ of
3 the Federal Poverty Level Guidelines, as published
4 annually in the Federal Register, for the appropriate
5 family size. Beginning January 1, 2014, a caretaker
6 relative who is 19 years of age or older when countable
7 income is at or below 133% of the Federal Poverty Level
8 Guidelines, as published annually in the Federal
9 Register, for the appropriate family size. A person may
10 not spend down to become eligible under this paragraph
11 15.

12 (b) Eligibility shall be reviewed annually.

13 (c) Caretaker relatives enrolled under this
14 paragraph 15 in families with countable income above
15 150% and at or below 185% of the Federal Poverty Level
16 Guidelines shall be counted as family members and pay
17 premiums as established under the Children's Health
18 Insurance Program Act. ~~(Blank).~~

19 (d) Premiums shall be billed by and payable to the
20 Department or its authorized agent, on a monthly basis.
21 ~~(Blank).~~

22 (e) The premium due date is the last day of the
23 month preceding the month of coverage. ~~(Blank).~~

24 (f) Individuals shall have a grace period through
25 60 days of coverage to pay the premium. ~~(Blank).~~

26 (g) Failure to pay the full monthly premium by the

1 last day of the grace period shall result in
2 termination of coverage. ~~(Blank)~~.

3 (h) Partial premium payments shall not be
4 refunded. ~~(Blank)~~.

5 (i) Following termination of an individual's
6 coverage under this paragraph 15, the following action
7 is required before the individual can be re-enrolled:
8 ~~individual must be determined eligible before the~~
9 ~~person can be re-enrolled.~~

10 (1) A new application must be completed and the
11 individual must be determined otherwise eligible.

12 (2) There must be full payment of premiums due
13 under this Code, the Children's Health Insurance
14 Program Act, the Covering ALL KIDS Health
15 Insurance Act, or any other healthcare program
16 administered by the Department for periods in
17 which a premium was owed and not paid for the
18 individual.

19 (3) The first month's premium must be paid if
20 there was an unpaid premium on the date the
21 individual's previous coverage was canceled.

22 The Department is authorized to implement the
23 provisions of this amendatory Act of the 97th General
24 Assembly by adopting the medical assistance rules in effect
25 as of October 1, 2007, at 89 Ill. Admin. Code 125, and at
26 89 Ill. Admin. Code 120.32 along with only those changes

1 necessary to conform to federal Medicaid requirements,
2 federal laws, and federal regulations, including but not
3 limited to Section 1931 of the Social Security Act (42
4 U.S.C. Sec. 1396u-1), as interpreted by the U.S. Department
5 of Health and Human Services, and the countable income
6 eligibility standard authorized by this paragraph 15. The
7 Department may not otherwise adopt any rule to implement
8 this increase except as authorized by law, to meet the
9 eligibility standards authorized by the federal government
10 in the Medicaid State Plan or the Title XXI Plan, or to
11 meet an order from the federal government or any court.

12 16. Subject to appropriation, uninsured persons who
13 are not otherwise eligible under this Section who have been
14 certified and referred by the Department of Public Health
15 as having been screened and found to need diagnostic
16 evaluation or treatment, or both diagnostic evaluation and
17 treatment, for prostate or testicular cancer. For the
18 purposes of this paragraph 16, uninsured persons are those
19 who do not have creditable coverage, as defined under the
20 Health Insurance Portability and Accountability Act, or
21 have otherwise exhausted any insurance benefits they may
22 have had, for prostate or testicular cancer diagnostic
23 evaluation or treatment, or both diagnostic evaluation and
24 treatment. To be eligible, a person must furnish a Social
25 Security number. A person's assets are exempt from
26 consideration in determining eligibility under this

1 paragraph 16. Such persons shall be eligible for medical
2 assistance under this paragraph 16 for so long as they need
3 treatment for the cancer. A person shall be considered to
4 need treatment if, in the opinion of the person's treating
5 physician, the person requires therapy directed toward
6 cure or palliation of prostate or testicular cancer,
7 including recurrent metastatic cancer that is a known or
8 presumed complication of prostate or testicular cancer and
9 complications resulting from the treatment modalities
10 themselves. Persons who require only routine monitoring
11 services are not considered to need treatment. "Medical
12 assistance" under this paragraph 16 shall be identical to
13 the benefits provided under the State's approved plan under
14 Title XIX of the Social Security Act. Notwithstanding any
15 other provision of law, the Department (i) does not have a
16 claim against the estate of a deceased recipient of
17 services under this paragraph 16 and (ii) does not have a
18 lien against any homestead property or other legal or
19 equitable real property interest owned by a recipient of
20 services under this paragraph 16.

21 17. (Blank). ~~Persons who, pursuant to a waiver approved~~
22 ~~by the Secretary of the U.S. Department of Health and Human~~
23 ~~Services, are eligible for medical assistance under Title~~
24 ~~XIX or XXI of the federal Social Security Act.~~
25 ~~Notwithstanding any other provision of this Code and~~
26 ~~consistent with the terms of the approved waiver, the~~

1 ~~Illinois Department, may by rule:~~

2 ~~(a) Limit the geographic areas in which the waiver~~
3 ~~program operates.~~

4 ~~(b) Determine the scope, quantity, duration, and~~
5 ~~quality, and the rate and method of reimbursement, of~~
6 ~~the medical services to be provided, which may differ~~
7 ~~from those for other classes of persons eligible for~~
8 ~~assistance under this Article.~~

9 ~~(c) Restrict the persons' freedom in choice of~~
10 ~~providers.~~

11 In implementing the provisions of Public Act 96-20, the
12 Department is authorized to adopt only those rules necessary,
13 including emergency rules. Nothing in Public Act 96-20 permits
14 the Department to adopt rules or issue a decision that expands
15 eligibility for the FamilyCare Program to a person whose income
16 exceeds 185% of the Federal Poverty Level as determined from
17 time to time by the U.S. Department of Health and Human
18 Services, unless the Department is provided with express
19 statutory authority.

20 The Illinois Department and the Governor shall provide a
21 plan for coverage of the persons eligible under paragraph 7 as
22 soon as possible after July 1, 1984.

23 The eligibility of any such person for medical assistance
24 under this Article is not affected by the payment of any grant
25 under the Senior Citizens and Disabled Persons Property Tax
26 Relief and Pharmaceutical Assistance Act or any distributions

1 or items of income described under subparagraph (X) of
2 paragraph (2) of subsection (a) of Section 203 of the Illinois
3 Income Tax Act. The Department shall by rule establish the
4 amounts of assets to be disregarded in determining eligibility
5 for medical assistance, which shall at a minimum equal the
6 amounts to be disregarded under the Federal Supplemental
7 Security Income Program. The amount of assets of a single
8 person to be disregarded shall not be less than \$2,000, and the
9 amount of assets of a married couple to be disregarded shall
10 not be less than \$3,000.

11 To the extent permitted under federal law, any person found
12 guilty of a second violation of Article VIIIA shall be
13 ineligible for medical assistance under this Article, as
14 provided in Section 8A-8.

15 The eligibility of any person for medical assistance under
16 this Article shall not be affected by the receipt by the person
17 of donations or benefits from fundraisers held for the person
18 in cases of serious illness, as long as neither the person nor
19 members of the person's family have actual control over the
20 donations or benefits or the disbursement of the donations or
21 benefits.

22 ~~Notwithstanding any other provision of this Code, if the~~
23 ~~United States Supreme Court holds Title II, Subtitle A, Section~~
24 ~~2001(a) of Public Law 111-148 to be unconstitutional, or if a~~
25 ~~holding of Public Law 111-148 makes Medicaid eligibility~~
26 ~~allowed under Section 2001(a) inoperable, the State or a unit~~

~~1 of local government shall be prohibited from enrolling
2 individuals in the Medical Assistance Program as the result of
3 federal approval of a State Medicaid waiver on or after the
4 effective date of this amendatory Act of the 97th General
5 Assembly, and any individuals enrolled in the Medical
6 Assistance Program pursuant to eligibility permitted as a
7 result of such a State Medicaid waiver shall become immediately
8 ineligible.~~

~~9 Notwithstanding any other provision of this Code, if an Act
10 of Congress that becomes a Public Law eliminates Section
11 2001(a) of Public Law 111-148, the State or a unit of local
12 government shall be prohibited from enrolling individuals in
13 the Medical Assistance Program as the result of federal
14 approval of a State Medicaid waiver on or after the effective
15 date of this amendatory Act of the 97th General Assembly, and
16 any individuals enrolled in the Medical Assistance Program
17 pursuant to eligibility permitted as a result of such a State
18 Medicaid waiver shall become immediately ineligible.~~

~~19 (Source: P.A. 96-20, eff. 6-30-09; 96-181, eff. 8-10-09;
20 96-328, eff. 8-11-09; 96-567, eff. 1-1-10; 96-1000, eff.
21 7-2-10; 96-1123, eff. 1-1-11; 96-1270, eff. 7-26-10; 97-48,
22 eff. 6-28-11; 97-74, eff. 6-30-11; 97-333, eff. 8-12-11;
23 97-687, eff. 6-14-12; 97-689, eff. 6-14-12; 97-813, eff.
24 7-13-12; revised 7-23-12.)~~

25 (305 ILCS 5/5-4) (from Ch. 23, par. 5-4)

1 Sec. 5-4. Amount and nature of medical assistance.

2 ~~(a)~~ The amount and nature of medical assistance shall be
3 determined by the County Departments in accordance with the
4 standards, rules, and regulations of the Department of
5 Healthcare and Family Services, with due regard to the
6 requirements and conditions in each case, including
7 contributions available from legally responsible relatives.
8 However, the amount and nature of such medical assistance shall
9 not be affected by the payment of any grant under the Senior
10 Citizens and Disabled Persons Property Tax Relief and
11 Pharmaceutical Assistance Act or any distributions or items of
12 income described under subparagraph (X) of paragraph (2) of
13 subsection (a) of Section 203 of the Illinois Income Tax Act.
14 The amount and nature of medical assistance shall not be
15 affected by the receipt of donations or benefits from
16 fundraisers in cases of serious illness, as long as neither the
17 person nor members of the person's family have actual control
18 over the donations or benefits or the disbursement of the
19 donations or benefits.

20 In determining the income and assets ~~resources~~ available to
21 the institutionalized spouse and to the community spouse, the
22 Department of Healthcare and Family Services shall follow the
23 procedures established by federal law. ~~If an institutionalized~~
24 ~~spouse or community spouse refuses to comply with the~~
25 ~~requirements of Title XIX of the federal Social Security Act~~
26 ~~and the regulations duly promulgated thereunder by failing to~~

1 ~~provide the total value of assets, including income and~~
2 ~~resources, to the extent either the institutionalized spouse or~~
3 ~~community spouse has an ownership interest in them pursuant to~~
4 ~~42 U.S.C. 1396r-5, such refusal may result in the~~
5 ~~institutionalized spouse being denied eligibility and~~
6 ~~continuing to remain ineligible for the medical assistance~~
7 ~~program based on failure to cooperate.~~

8 ~~The Subject to federal approval, the~~ community spouse
9 resource allowance shall be established and maintained at the
10 maximum ~~higher of \$109,560 or the minimum~~ level permitted
11 pursuant to Section 1924(f)(2) of the Social Security Act, as
12 now or hereafter amended, or an amount set after a fair
13 hearing, whichever is greater. The monthly maintenance
14 allowance for the community spouse shall be established and
15 maintained at the maximum ~~higher of \$2,739 per month or the~~
16 ~~minimum~~ level permitted pursuant to Section 1924(d)(3)(C) of
17 the Social Security Act, as now or hereafter amended, ~~or an~~
18 ~~amount set after a fair hearing, whichever is greater.~~ Subject
19 to the approval of the Secretary of the United States
20 Department of Health and Human Services, the provisions of this
21 Section shall be extended to persons who but for the provision
22 of home or community-based services under Section 4.02 of the
23 Illinois Act on the Aging, would require the level of care
24 provided in an institution, as is provided for in federal law.

25 ~~(b) Spousal support for institutionalized spouses~~
26 ~~receiving medical assistance.~~

1 ~~(i) The Department may seek support for an~~
2 ~~institutionalized spouse, who has assigned his or her right~~
3 ~~of support from his or her spouse to the State, from the~~
4 ~~resources and income available to the community spouse.~~

5 ~~(ii) The Department may bring an action in the circuit~~
6 ~~court to establish support orders or itself establish~~
7 ~~administrative support orders by any means and procedures~~
8 ~~authorized in this Code, as applicable, except that the~~
9 ~~standard and regulations for determining ability to~~
10 ~~support in Section 10-3 shall not limit the amount of~~
11 ~~support that may be ordered.~~

12 ~~(iii) Proceedings may be initiated to obtain support,~~
13 ~~or for the recovery of aid granted during the period such~~
14 ~~support was not provided, or both, for the obtainment of~~
15 ~~support and the recovery of the aid provided. Proceedings~~
16 ~~for the recovery of aid may be taken separately or they may~~
17 ~~be consolidated with actions to obtain support. Such~~
18 ~~proceedings may be brought in the name of the person or~~
19 ~~persons requiring support or may be brought in the name of~~
20 ~~the Department, as the case requires.~~

21 ~~(iv) The orders for the payment of moneys for the~~
22 ~~support of the person shall be just and equitable and may~~
23 ~~direct payment thereof for such period or periods of time~~
24 ~~as the circumstances require, including support for a~~
25 ~~period before the date the order for support is entered. In~~
26 ~~no event shall the orders reduce the community spouse~~

1 ~~resource allowance below the level established in~~
2 ~~subsection (a) of this Section or an amount set after a~~
3 ~~fair hearing, whichever is greater, or reduce the monthly~~
4 ~~maintenance allowance for the community spouse below the~~
5 ~~level permitted pursuant to subsection (a) of this Section.~~

6 The Department of Human Services shall notify in writing
7 each institutionalized spouse who is a recipient of medical
8 assistance under this Article, and each such person's community
9 spouse, of the changes in treatment of income and resources,
10 including provisions for protecting income for a community
11 spouse and permitting the transfer of resources to a community
12 spouse, required by enactment of the federal Medicare
13 Catastrophic Coverage Act of 1988 (Public Law 100-360). The
14 notification shall be in language likely to be easily
15 understood by those persons. The Department of Human Services
16 also shall reassess the amount of medical assistance for which
17 each such recipient is eligible as a result of the enactment of
18 that federal Act, whether or not a recipient requests such a
19 reassessment.

20 (Source: P.A. 97-689, eff. 6-14-12.)

21 (305 ILCS 5/5-4.1) (from Ch. 23, par. 5-4.1)

22 Sec. 5-4.1. Co-payments. The Department may by rule provide
23 that recipients under any Article of this Code shall pay a fee
24 as a co-payment for services. Co-payments shall be maximized to
25 the extent permitted by federal law, ~~except that the Department~~

1 ~~shall impose a co-pay of \$2 on generic drugs.~~ Provided,
2 however, that any such rule must provide that no co-payment
3 requirement can exist for renal dialysis, radiation therapy,
4 cancer chemotherapy, or insulin, and other products necessary
5 on a recurring basis, the absence of which would be life
6 threatening, or where co-payment expenditures for required
7 services and/or medications for chronic diseases that the
8 Illinois Department shall by rule designate shall cause an
9 extensive financial burden on the recipient, and provided no
10 co-payment shall exist for emergency room encounters which are
11 for medical emergencies. The Department shall seek approval of
12 a State plan amendment that allows pharmacies to refuse to
13 dispense drugs in circumstances where the recipient does not
14 pay the required co-payment. In the event the State plan
15 amendment is rejected, co-payments may not exceed \$3 for brand
16 name drugs, \$1 for other pharmacy services other than for
17 generic drugs, and \$2 for physician services, dental services,
18 optical services and supplies, chiropractic services, podiatry
19 services, and encounter rate clinic services. There shall be no
20 co-payment for generic drugs. Co-payments may not exceed \$10
21 for emergency room use for a non-emergency situation as defined
22 by the Department by rule and subject to federal approval.

23 (Source: P.A. 96-1501, eff. 1-25-11; 97-74, eff. 6-30-11;
24 97-689, eff. 6-14-12.)

25 (305 ILCS 5/5-4.2) (from Ch. 23, par. 5-4.2)

1 Sec. 5-4.2. Ambulance services payments.

2 (a) For ambulance services provided to a recipient of aid
3 under this Article on or after January 1, 1993, the Illinois
4 Department shall reimburse ambulance service providers at
5 rates calculated in accordance with this Section. It is the
6 intent of the General Assembly to provide adequate
7 reimbursement for ambulance services so as to ensure adequate
8 access to services for recipients of aid under this Article and
9 to provide appropriate incentives to ambulance service
10 providers to provide services in an efficient and
11 cost-effective manner. Thus, it is the intent of the General
12 Assembly that the Illinois Department implement a
13 reimbursement system for ambulance services that, to the extent
14 practicable and subject to the availability of funds
15 appropriated by the General Assembly for this purpose, is
16 consistent with the payment principles of Medicare. To ensure
17 uniformity between the payment principles of Medicare and
18 Medicaid, the Illinois Department shall follow, to the extent
19 necessary and practicable and subject to the availability of
20 funds appropriated by the General Assembly for this purpose,
21 the statutes, laws, regulations, policies, procedures,
22 principles, definitions, guidelines, and manuals used to
23 determine the amounts paid to ambulance service providers under
24 Title XVIII of the Social Security Act (Medicare).

25 (b) For ambulance services provided to a recipient of aid
26 under this Article on or after January 1, 1996, the Illinois

1 Department shall reimburse ambulance service providers based
2 upon the actual distance traveled if a natural disaster,
3 weather conditions, road repairs, or traffic congestion
4 necessitates the use of a route other than the most direct
5 route.

6 (c) For purposes of this Section, "ambulance services"
7 includes medical transportation services provided by means of
8 an ambulance, medi-car, service car, or taxi.

9 (c-1) For purposes of this Section, "ground ambulance
10 service" means medical transportation services that are
11 described as ground ambulance services by the Centers for
12 Medicare and Medicaid Services and provided in a vehicle that
13 is licensed as an ambulance by the Illinois Department of
14 Public Health pursuant to the Emergency Medical Services (EMS)
15 Systems Act.

16 (c-2) For purposes of this Section, "ground ambulance
17 service provider" means a vehicle service provider as described
18 in the Emergency Medical Services (EMS) Systems Act that
19 operates licensed ambulances for the purpose of providing
20 emergency ambulance services, or non-emergency ambulance
21 services, or both. For purposes of this Section, this includes
22 both ambulance providers and ambulance suppliers as described
23 by the Centers for Medicare and Medicaid Services.

24 (d) This Section does not prohibit separate billing by
25 ambulance service providers for oxygen furnished while
26 providing advanced life support services.

1 (e) Beginning with services rendered on or after July 1,
2 2008, all providers of non-emergency medi-car and service car
3 transportation must certify that the driver and employee
4 attendant, as applicable, have completed a safety program
5 approved by the Department to protect both the patient and the
6 driver, prior to transporting a patient. The provider must
7 maintain this certification in its records. The provider shall
8 produce such documentation upon demand by the Department or its
9 representative. Failure to produce documentation of such
10 training shall result in recovery of any payments made by the
11 Department for services rendered by a non-certified driver or
12 employee attendant. Medi-car and service car providers must
13 maintain legible documentation in their records of the driver
14 and, as applicable, employee attendant that actually
15 transported the patient. Providers must recertify all drivers
16 and employee attendants every 3 years.

17 Notwithstanding the requirements above, any public
18 transportation provider of medi-car and service car
19 transportation that receives federal funding under 49 U.S.C.
20 5307 and 5311 need not certify its drivers and employee
21 attendants under this Section, since safety training is already
22 federally mandated.

23 (f) With respect to any policy or program administered by
24 the Department or its agent regarding approval of non-emergency
25 medical transportation by ground ambulance service providers,
26 including, but not limited to, the Non-Emergency

1 Transportation Services Prior Approval Program (NETSPAP), the
2 Department shall establish by rule a process by which ground
3 ambulance service providers of non-emergency medical
4 transportation may appeal any decision by the Department or its
5 agent for which no denial was received prior to the time of
6 transport that either (i) denies a request for approval for
7 payment of non-emergency transportation by means of ground
8 ambulance service or (ii) grants a request for approval of
9 non-emergency transportation by means of ground ambulance
10 service at a level of service that entitles the ground
11 ambulance service provider to a lower level of compensation
12 from the Department than the ground ambulance service provider
13 would have received as compensation for the level of service
14 requested. The rule shall be established within 12 months after
15 the effective date of this amendatory Act of the 97th General
16 Assembly ~~filed by December 15, 2012~~ and shall provide that, for
17 any decision rendered by the Department or its agent on or
18 after the date the rule takes effect, the ground ambulance
19 service provider shall have 60 days from the date the decision
20 is received to file an appeal. The rule established by the
21 Department shall be, insofar as is practical, consistent with
22 the Illinois Administrative Procedure Act. The Director's
23 decision on an appeal under this Section shall be a final
24 administrative decision subject to review under the
25 Administrative Review Law.

26 (f-5) ~~(g)~~ Beginning 90 days after July 20, 2012 (the

1 effective date of Public Act 97-842) ~~this amendatory Act of the~~
2 ~~97th General Assembly~~, (i) no denial of a request for approval
3 for payment of non-emergency transportation by means of ground
4 ambulance service, and (ii) no approval of non-emergency
5 transportation by means of ground ambulance service at a level
6 of service that entitles the ground ambulance service provider
7 to a lower level of compensation from the Department than would
8 have been received at the level of service submitted by the
9 ground ambulance service provider, may be issued by the
10 Department or its agent unless the Department has submitted the
11 criteria for determining the appropriateness of the transport
12 for first notice publication in the Illinois Register pursuant
13 to Section 5-40 of the Illinois Administrative Procedure Act.

14 (g) (Blank). ~~Whenever a patient covered by a medical~~
15 ~~assistance program under this Code or by another medical~~
16 ~~program administered by the Department is being discharged from~~
17 ~~a facility, a physician discharge order as described in this~~
18 ~~Section shall be required for each patient whose discharge~~
19 ~~requires medically supervised ground ambulance services.~~
20 ~~Facilities shall develop procedures for a physician with~~
21 ~~medical staff privileges to provide a written and signed~~
22 ~~physician discharge order. The physician discharge order shall~~
23 ~~specify the level of ground ambulance services needed and~~
24 ~~complete a medical certification establishing the criteria for~~
25 ~~approval of non-emergency ambulance transportation, as~~
26 ~~published by the Department of Healthcare and Family Services,~~

1 ~~that is met by the patient. This order and the medical~~
2 ~~certification shall be completed prior to ordering an ambulance~~
3 ~~service and prior to patient discharge.~~

4 ~~Pursuant to subsection (E) of Section 12-4.25 of this Code,~~
5 ~~the Department is entitled to recover overpayments paid to a~~
6 ~~provider or vendor, including, but not limited to, from the~~
7 ~~discharging physician, the discharging facility, and the~~
8 ~~ground ambulance service provider, in instances where a~~
9 ~~non-emergency ground ambulance service is rendered as the~~
10 ~~result of improper or false certification.~~

11 (h) (Blank). ~~On and after July 1, 2012, the Department~~
12 ~~shall reduce any rate of reimbursement for services or other~~
13 ~~payments or alter any methodologies authorized by this Code to~~
14 ~~reduce any rate of reimbursement for services or other payments~~
15 ~~in accordance with Section 5-5e.~~

16 (Source: P.A. 97-584, eff. 8-26-11; 97-689, eff. 6-14-12;
17 97-842, eff. 7-20-12; revised 8-3-12.)

18 (305 ILCS 5/5-5) (from Ch. 23, par. 5-5)

19 Sec. 5-5. Medical services. The Illinois Department, by
20 rule, shall determine the quantity and quality of and the rate
21 of reimbursement for the medical assistance for which payment
22 will be authorized, and the medical services to be provided,
23 which may include all or part of the following: (1) inpatient
24 hospital services; (2) outpatient hospital services; (3) other
25 laboratory and X-ray services; (4) skilled nursing home

1 services; (5) physicians' services whether furnished in the
2 office, the patient's home, a hospital, a skilled nursing home,
3 or elsewhere; (6) medical care, or any other type of remedial
4 care furnished by licensed practitioners; (7) home health care
5 services; (8) private duty nursing service; (9) clinic
6 services; (10) dental services, including prevention and
7 treatment of periodontal disease and dental caries disease for
8 pregnant women, provided by an individual licensed to practice
9 dentistry or dental surgery; for purposes of this item (10),
10 "dental services" means diagnostic, preventive, or corrective
11 procedures provided by or under the supervision of a dentist in
12 the practice of his or her profession; (11) physical therapy
13 and related services; (12) prescribed drugs, dentures, and
14 prosthetic devices; and eyeglasses prescribed by a physician
15 skilled in the diseases of the eye, or by an optometrist,
16 whichever the person may select; (13) other diagnostic,
17 screening, preventive, and rehabilitative services, including
18 to ensure that the individual's need for intervention or
19 treatment of mental disorders or substance use disorders or
20 co-occurring mental health and substance use disorders is
21 determined using a uniform screening, assessment, and
22 evaluation process inclusive of criteria, for children and
23 adults; for purposes of this item (13), a uniform screening,
24 assessment, and evaluation process refers to a process that
25 includes an appropriate evaluation and, as warranted, a
26 referral; "uniform" does not mean the use of a singular

1 instrument, tool, or process that all must utilize; (14)
2 transportation and such other expenses as may be necessary;
3 (15) medical treatment of sexual assault survivors, as defined
4 in Section 1a of the Sexual Assault Survivors Emergency
5 Treatment Act, for injuries sustained as a result of the sexual
6 assault, including examinations and laboratory tests to
7 discover evidence which may be used in criminal proceedings
8 arising from the sexual assault; (16) the diagnosis and
9 treatment of sickle cell anemia; and (17) any other medical
10 care, and any other type of remedial care recognized under the
11 laws of this State, but not including abortions, or induced
12 miscarriages or premature births, unless, in the opinion of a
13 physician, such procedures are necessary for the preservation
14 of the life of the woman seeking such treatment, or except an
15 induced premature birth intended to produce a live viable child
16 and such procedure is necessary for the health of the mother or
17 her unborn child. The Illinois Department, by rule, shall
18 prohibit any physician from providing medical assistance to
19 anyone eligible therefor under this Code where such physician
20 has been found guilty of performing an abortion procedure in a
21 wilful and wanton manner upon a woman who was not pregnant at
22 the time such abortion procedure was performed. The term "any
23 other type of remedial care" shall include nursing care and
24 nursing home service for persons who rely on treatment by
25 spiritual means alone through prayer for healing.

26 Notwithstanding any other provision of this Section, a

1 comprehensive tobacco use cessation program that includes
2 purchasing prescription drugs or prescription medical devices
3 approved by the Food and Drug Administration shall be covered
4 under the medical assistance program under this Article for
5 persons who are otherwise eligible for assistance under this
6 Article.

7 Notwithstanding any other provision of this Code, the
8 Illinois Department may not require, as a condition of payment
9 for any laboratory test authorized under this Article, that a
10 physician's handwritten signature appear on the laboratory
11 test order form. The Illinois Department may, however, impose
12 other appropriate requirements regarding laboratory test order
13 documentation.

14 ~~The On and after July 1, 2012, the~~ Department of Healthcare
15 and Family Services shall ~~may~~ provide the following services to
16 persons eligible for assistance under this Article who are
17 participating in education, training or employment programs
18 operated by the Department of Human Services as successor to
19 the Department of Public Aid:

20 (1) dental services provided by or under the
21 supervision of a dentist; and

22 (2) eyeglasses prescribed by a physician skilled in the
23 diseases of the eye, or by an optometrist, whichever the
24 person may select.

25 Notwithstanding any other provision of this Code and
26 subject to federal approval, the Department may adopt rules to

1 allow a dentist who is volunteering his or her service at no
2 cost to render dental services through an enrolled
3 not-for-profit health clinic without the dentist personally
4 enrolling as a participating provider in the medical assistance
5 program. A not-for-profit health clinic shall include a public
6 health clinic or Federally Qualified Health Center or other
7 enrolled provider, as determined by the Department, through
8 which dental services covered under this Section are performed.
9 The Department shall establish a process for payment of claims
10 for reimbursement for covered dental services rendered under
11 this provision.

12 The Illinois Department, by rule, may distinguish and
13 classify the medical services to be provided only in accordance
14 with the classes of persons designated in Section 5-2.

15 The Department of Healthcare and Family Services must
16 provide coverage and reimbursement for amino acid-based
17 elemental formulas, regardless of delivery method, for the
18 diagnosis and treatment of (i) eosinophilic disorders and (ii)
19 short bowel syndrome when the prescribing physician has issued
20 a written order stating that the amino acid-based elemental
21 formula is medically necessary.

22 The Illinois Department shall authorize the provision of,
23 and shall authorize payment for, screening by low-dose
24 mammography for the presence of occult breast cancer for women
25 35 years of age or older who are eligible for medical
26 assistance under this Article, as follows:

1 (A) A baseline mammogram for women 35 to 39 years of
2 age.

3 (B) An annual mammogram for women 40 years of age or
4 older.

5 (C) A mammogram at the age and intervals considered
6 medically necessary by the woman's health care provider for
7 women under 40 years of age and having a family history of
8 breast cancer, prior personal history of breast cancer,
9 positive genetic testing, or other risk factors.

10 (D) A comprehensive ultrasound screening of an entire
11 breast or breasts if a mammogram demonstrates
12 heterogeneous or dense breast tissue, when medically
13 necessary as determined by a physician licensed to practice
14 medicine in all of its branches.

15 All screenings shall include a physical breast exam,
16 instruction on self-examination and information regarding the
17 frequency of self-examination and its value as a preventative
18 tool. For purposes of this Section, "low-dose mammography"
19 means the x-ray examination of the breast using equipment
20 dedicated specifically for mammography, including the x-ray
21 tube, filter, compression device, and image receptor, with an
22 average radiation exposure delivery of less than one rad per
23 breast for 2 views of an average size breast. The term also
24 includes digital mammography.

25 On and after January 1, 2012, providers participating in a
26 quality improvement program approved by the Department shall be

1 reimbursed for screening and diagnostic mammography at the same
2 rate as the Medicare program's rates, including the increased
3 reimbursement for digital mammography.

4 The Department shall convene an expert panel including
5 representatives of hospitals, free-standing mammography
6 facilities, and doctors, including radiologists, to establish
7 quality standards.

8 Subject to federal approval, the Department shall
9 establish a rate methodology for mammography at federally
10 qualified health centers and other encounter-rate clinics.
11 These clinics or centers may also collaborate with other
12 hospital-based mammography facilities.

13 The Department shall establish a methodology to remind
14 women who are age-appropriate for screening mammography, but
15 who have not received a mammogram within the previous 18
16 months, of the importance and benefit of screening mammography.

17 The Department shall establish a performance goal for
18 primary care providers with respect to their female patients
19 over age 40 receiving an annual mammogram. This performance
20 goal shall be used to provide additional reimbursement in the
21 form of a quality performance bonus to primary care providers
22 who meet that goal.

23 The Department shall devise a means of case-managing or
24 patient navigation for beneficiaries diagnosed with breast
25 cancer. This program shall initially operate as a pilot program
26 in areas of the State with the highest incidence of mortality

1 related to breast cancer. At least one pilot program site shall
2 be in the metropolitan Chicago area and at least one site shall
3 be outside the metropolitan Chicago area. An evaluation of the
4 pilot program shall be carried out measuring health outcomes
5 and cost of care for those served by the pilot program compared
6 to similarly situated patients who are not served by the pilot
7 program.

8 Any medical or health care provider shall immediately
9 recommend, to any pregnant woman who is being provided prenatal
10 services and is suspected of drug abuse or is addicted as
11 defined in the Alcoholism and Other Drug Abuse and Dependency
12 Act, referral to a local substance abuse treatment provider
13 licensed by the Department of Human Services or to a licensed
14 hospital which provides substance abuse treatment services.
15 The Department of Healthcare and Family Services shall assure
16 coverage for the cost of treatment of the drug abuse or
17 addiction for pregnant recipients in accordance with the
18 Illinois Medicaid Program in conjunction with the Department of
19 Human Services.

20 All medical providers providing medical assistance to
21 pregnant women under this Code shall receive information from
22 the Department on the availability of services under the Drug
23 Free Families with a Future or any comparable program providing
24 case management services for addicted women, including
25 information on appropriate referrals for other social services
26 that may be needed by addicted women in addition to treatment

1 for addiction.

2 The Illinois Department, in cooperation with the
3 Departments of Human Services (as successor to the Department
4 of Alcoholism and Substance Abuse) and Public Health, through a
5 public awareness campaign, may provide information concerning
6 treatment for alcoholism and drug abuse and addiction, prenatal
7 health care, and other pertinent programs directed at reducing
8 the number of drug-affected infants born to recipients of
9 medical assistance.

10 Neither the Department of Healthcare and Family Services
11 nor the Department of Human Services shall sanction the
12 recipient solely on the basis of her substance abuse.

13 The Illinois Department shall establish such regulations
14 governing the dispensing of health services under this Article
15 as it shall deem appropriate. The Department should seek the
16 advice of formal professional advisory committees appointed by
17 the Director of the Illinois Department for the purpose of
18 providing regular advice on policy and administrative matters,
19 information dissemination and educational activities for
20 medical and health care providers, and consistency in
21 procedures to the Illinois Department.

22 Notwithstanding any other provision of law, a health care
23 provider under the medical assistance program may elect, in
24 lieu of receiving direct payment for services provided under
25 that program, to participate in the State Employees Deferred
26 Compensation Plan adopted under Article 24 of the Illinois

1 Pension Code. A health care provider who elects to participate
2 in the plan does not have a cause of action against the State
3 for any damages allegedly suffered by the provider as a result
4 of any delay by the State in crediting the amount of any
5 contribution to the provider's plan account.

6 The Illinois Department may develop and contract with
7 Partnerships of medical providers to arrange medical services
8 for persons eligible under Section 5-2 of this Code.
9 Implementation of this Section may be by demonstration projects
10 in certain geographic areas. The Partnership shall be
11 represented by a sponsor organization. The Department, by rule,
12 shall develop qualifications for sponsors of Partnerships.
13 Nothing in this Section shall be construed to require that the
14 sponsor organization be a medical organization.

15 The sponsor must negotiate formal written contracts with
16 medical providers for physician services, inpatient and
17 outpatient hospital care, home health services, treatment for
18 alcoholism and substance abuse, and other services determined
19 necessary by the Illinois Department by rule for delivery by
20 Partnerships. Physician services must include prenatal and
21 obstetrical care. The Illinois Department shall reimburse
22 medical services delivered by Partnership providers to clients
23 in target areas according to provisions of this Article and the
24 Illinois Health Finance Reform Act, except that:

- 25 (1) Physicians participating in a Partnership and
26 providing certain services, which shall be determined by

1 the Illinois Department, to persons in areas covered by the
2 Partnership may receive an additional surcharge for such
3 services.

4 (2) The Department may elect to consider and negotiate
5 financial incentives to encourage the development of
6 Partnerships and the efficient delivery of medical care.

7 (3) Persons receiving medical services through
8 Partnerships may receive medical and case management
9 services above the level usually offered through the
10 medical assistance program.

11 Medical providers shall be required to meet certain
12 qualifications to participate in Partnerships to ensure the
13 delivery of high quality medical services. These
14 qualifications shall be determined by rule of the Illinois
15 Department and may be higher than qualifications for
16 participation in the medical assistance program. Partnership
17 sponsors may prescribe reasonable additional qualifications
18 for participation by medical providers, only with the prior
19 written approval of the Illinois Department.

20 Nothing in this Section shall limit the free choice of
21 practitioners, hospitals, and other providers of medical
22 services by clients. In order to ensure patient freedom of
23 choice, the Illinois Department shall immediately promulgate
24 all rules and take all other necessary actions so that provided
25 services may be accessed from therapeutically certified
26 optometrists to the full extent of the Illinois Optometric

1 Practice Act of 1987 without discriminating between service
2 providers.

3 The Department shall apply for a waiver from the United
4 States Health Care Financing Administration to allow for the
5 implementation of Partnerships under this Section.

6 The Illinois Department shall require health care
7 providers to maintain records that document the medical care
8 and services provided to recipients of Medical Assistance under
9 this Article. Such records must be retained for a period of not
10 less than 6 years from the date of service or as provided by
11 applicable State law, whichever period is longer, except that
12 if an audit is initiated within the required retention period
13 then the records must be retained until the audit is completed
14 and every exception is resolved. The Illinois Department shall
15 require health care providers to make available, when
16 authorized by the patient, in writing, the medical records in a
17 timely fashion to other health care providers who are treating
18 or serving persons eligible for Medical Assistance under this
19 Article. All dispensers of medical services shall be required
20 to maintain and retain business and professional records
21 sufficient to fully and accurately document the nature, scope,
22 details and receipt of the health care provided to persons
23 eligible for medical assistance under this Code, in accordance
24 with regulations promulgated by the Illinois Department. The
25 rules and regulations shall require that proof of the receipt
26 of prescription drugs, dentures, prosthetic devices and

1 eyeglasses by eligible persons under this Section accompany
2 each claim for reimbursement submitted by the dispenser of such
3 medical services. No such claims for reimbursement shall be
4 approved for payment by the Illinois Department without such
5 proof of receipt, unless the Illinois Department shall have put
6 into effect and shall be operating a system of post-payment
7 audit and review which shall, on a sampling basis, be deemed
8 adequate by the Illinois Department to assure that such drugs,
9 dentures, prosthetic devices and eyeglasses for which payment
10 is being made are actually being received by eligible
11 recipients. Within 90 days after the effective date of this
12 amendatory Act of 1984, the Illinois Department shall establish
13 a current list of acquisition costs for all prosthetic devices
14 and any other items recognized as medical equipment and
15 supplies reimbursable under this Article and shall update such
16 list on a quarterly basis, except that the acquisition costs of
17 all prescription drugs shall be updated no less frequently than
18 every 30 days as required by Section 5-5.12.

19 The rules and regulations of the Illinois Department shall
20 require that a written statement including the required opinion
21 of a physician shall accompany any claim for reimbursement for
22 abortions, or induced miscarriages or premature births. This
23 statement shall indicate what procedures were used in providing
24 such medical services.

25 The Illinois Department shall require all dispensers of
26 medical services, other than an individual practitioner or

1 group of practitioners, desiring to participate in the Medical
2 Assistance program established under this Article to disclose
3 all financial, beneficial, ownership, equity, surety or other
4 interests in any and all firms, corporations, partnerships,
5 associations, business enterprises, joint ventures, agencies,
6 institutions or other legal entities providing any form of
7 health care services in this State under this Article.

8 The Illinois Department may require that all dispensers of
9 medical services desiring to participate in the medical
10 assistance program established under this Article disclose,
11 under such terms and conditions as the Illinois Department may
12 by rule establish, all inquiries from clients and attorneys
13 regarding medical bills paid by the Illinois Department, which
14 inquiries could indicate potential existence of claims or liens
15 for the Illinois Department.

16 Enrollment of a vendor that provides non-emergency medical
17 transportation, defined by the Department by rule, shall be
18 ~~subject to a provisional period and shall be conditional for~~
19 ~~180 days one year.~~ During that time ~~the period of conditional~~
20 ~~enrollment,~~ the Department of Healthcare and Family Services
21 may terminate the vendor's eligibility to participate in, ~~or~~
22 ~~may disenroll the vendor from,~~ the medical assistance program
23 without cause. That ~~Unless otherwise specified,~~ such
24 termination of eligibility ~~or disenrollment~~ is not subject to
25 the Department's hearing process. ~~However, a disenrolled~~
26 ~~vendor may reapply without penalty.~~

1 ~~The Department has the discretion to limit the conditional~~
2 ~~enrollment period for vendors based upon category of risk of~~
3 ~~the vendor.~~

4 ~~Prior to enrollment and during the conditional enrollment~~
5 ~~period in the medical assistance program, all vendors shall be~~
6 ~~subject to enhanced oversight, screening, and review based on~~
7 ~~the risk of fraud, waste, and abuse that is posed by the~~
8 ~~category of risk of the vendor. The Illinois Department shall~~
9 ~~establish the procedures for oversight, screening, and review,~~
10 ~~which may include, but need not be limited to: criminal and~~
11 ~~financial background checks; fingerprinting; license,~~
12 ~~certification, and authorization verifications; unscheduled or~~
13 ~~unannounced site visits; database checks; prepayment audit~~
14 ~~reviews; audits; payment caps; payment suspensions; and other~~
15 ~~screening as required by federal or State law.~~

16 ~~The Department shall define or specify the following: (i)~~
17 ~~by provider notice, the "category of risk of the vendor" for~~
18 ~~each type of vendor, which shall take into account the level of~~
19 ~~screening applicable to a particular category of vendor under~~
20 ~~federal law and regulations; (ii) by rule or provider notice,~~
21 ~~the maximum length of the conditional enrollment period for~~
22 ~~each category of risk of the vendor; and (iii) by rule, the~~
23 ~~hearing rights, if any, afforded to a vendor in each category~~
24 ~~of risk of the vendor that is terminated or disenrolled during~~
25 ~~the conditional enrollment period.~~

26 ~~To be eligible for payment consideration, a vendor's~~

1 ~~payment claim or bill, either as an initial claim or as a~~
2 ~~resubmitted claim following prior rejection, must be received~~
3 ~~by the Illinois Department, or its fiscal intermediary, no~~
4 ~~later than 180 days after the latest date on the claim on which~~
5 ~~medical goods or services were provided, with the following~~
6 ~~exceptions:~~

7 ~~(1) In the case of a provider whose enrollment is in~~
8 ~~process by the Illinois Department, the 180 day period~~
9 ~~shall not begin until the date on the written notice from~~
10 ~~the Illinois Department that the provider enrollment is~~
11 ~~complete.~~

12 ~~(2) In the case of errors attributable to the Illinois~~
13 ~~Department or any of its claims processing intermediaries~~
14 ~~which result in an inability to receive, process, or~~
15 ~~adjudicate a claim, the 180 day period shall not begin~~
16 ~~until the provider has been notified of the error.~~

17 ~~(3) In the case of a provider for whom the Illinois~~
18 ~~Department initiates the monthly billing process.~~

19 ~~For claims for services rendered during a period for which~~
20 ~~a recipient received retroactive eligibility, claims must be~~
21 ~~filed within 180 days after the Department determines the~~
22 ~~applicant is eligible. For claims for which the Illinois~~
23 ~~Department is not the primary payer, claims must be submitted~~
24 ~~to the Illinois Department within 180 days after the final~~
25 ~~adjudication by the primary payer.~~

26 ~~In the case of long term care facilities, admission~~

1 ~~documents shall be submitted within 30 days of an admission to~~
2 ~~the facility through the Medical Electronic Data Interchange~~
3 ~~(MEDI) or the Recipient Eligibility Verification (REV) System,~~
4 ~~or shall be submitted directly to the Department of Human~~
5 ~~Services using required admission forms. Confirmation numbers~~
6 ~~assigned to an accepted transaction shall be retained by a~~
7 ~~facility to verify timely submittal. Once an admission~~
8 ~~transaction has been completed, all resubmitted claims~~
9 ~~following prior rejection are subject to receipt no later than~~
10 ~~180 days after the admission transaction has been completed.~~

11 ~~Claims that are not submitted and received in compliance~~
12 ~~with the foregoing requirements shall not be eligible for~~
13 ~~payment under the medical assistance program, and the State~~
14 ~~shall have no liability for payment of those claims.~~

15 ~~To the extent consistent with applicable information and~~
16 ~~privacy, security, and disclosure laws, State and federal~~
17 ~~agencies and departments shall provide the Illinois Department~~
18 ~~access to confidential and other information and data necessary~~
19 ~~to perform eligibility and payment verifications and other~~
20 ~~Illinois Department functions. This includes, but is not~~
21 ~~limited to: information pertaining to licensure,~~
22 ~~certification, earnings, immigration status, citizenship, wage~~
23 ~~reporting, unearned and earned income, pension income,~~
24 ~~employment, supplemental security income, social security~~
25 ~~numbers, National Provider Identifier (NPI) numbers, the~~
26 ~~National Practitioner Data Bank (NPDB), program and agency~~

1 ~~exclusions; taxpayer identification numbers; tax delinquency;~~
2 ~~corporate information; and death records.~~

3 ~~The Illinois Department shall enter into agreements with~~
4 ~~State agencies and departments, and is authorized to enter into~~
5 ~~agreements with federal agencies and departments, under which~~
6 ~~such agencies and departments shall share data necessary for~~
7 ~~medical assistance program integrity functions and oversight.~~
8 ~~The Illinois Department shall develop, in cooperation with~~
9 ~~other State departments and agencies, and in compliance with~~
10 ~~applicable federal laws and regulations, appropriate and~~
11 ~~effective methods to share such data. At a minimum, and to the~~
12 ~~extent necessary to provide data sharing, the Illinois~~
13 ~~Department shall enter into agreements with State agencies and~~
14 ~~departments, and is authorized to enter into agreements with~~
15 ~~federal agencies and departments, including but not limited to:~~
16 ~~the Secretary of State; the Department of Revenue; the~~
17 ~~Department of Public Health; the Department of Human Services;~~
18 ~~and the Department of Financial and Professional Regulation.~~

19 ~~Beginning in fiscal year 2013, the Illinois Department~~
20 ~~shall set forth a request for information to identify the~~
21 ~~benefits of a pre payment, post adjudication, and post edit~~
22 ~~claims system with the goals of streamlining claims processing~~
23 ~~and provider reimbursement, reducing the number of pending or~~
24 ~~rejected claims, and helping to ensure a more transparent~~
25 ~~adjudication process through the utilization of: (i) provider~~
26 ~~data verification and provider screening technology; and (ii)~~

1 ~~clinical code editing; and (iii) pre-pay, pre- or~~
2 ~~post-adjudicated predictive modeling with an integrated case~~
3 ~~management system with link analysis. Such a request for~~
4 ~~information shall not be considered as a request for proposal~~
5 ~~or as an obligation on the part of the Illinois Department to~~
6 ~~take any action or acquire any products or services.~~

7 The Illinois Department shall establish policies,
8 procedures, standards and criteria by rule for the acquisition,
9 repair and replacement of orthotic and prosthetic devices and
10 durable medical equipment. Such rules shall provide, but not be
11 limited to, the following services: (1) immediate repair or
12 replacement of such devices by recipients without medical
13 authorization; and (2) rental, lease, purchase or
14 lease-purchase of durable medical equipment in a
15 cost-effective manner, taking into consideration the
16 recipient's medical prognosis, the extent of the recipient's
17 needs, and the requirements and costs for maintaining such
18 equipment. Such ~~Subject to prior approval, such~~ rules shall
19 enable a recipient to temporarily acquire and use alternative
20 or substitute devices or equipment pending repairs or
21 replacements of any device or equipment previously authorized
22 for such recipient by the Department.

23 The Department shall execute, relative to the nursing home
24 prescreening project, written inter-agency agreements with the
25 Department of Human Services and the Department on Aging, to
26 effect the following: (i) intake procedures and common

1 eligibility criteria for those persons who are receiving
2 non-institutional services; and (ii) the establishment and
3 development of non-institutional services in areas of the State
4 where they are not currently available or are undeveloped; ~~and~~
5 ~~(iii) notwithstanding any other provision of law, subject to~~
6 ~~federal approval, on and after July 1, 2012, an increase in the~~
7 ~~determination of need (DON) scores from 29 to 37 for applicants~~
8 ~~for institutional and home and community based long term care;~~
9 ~~if and only if federal approval is not granted, the Department~~
10 ~~may, in conjunction with other affected agencies, implement~~
11 ~~utilization controls or changes in benefit packages to~~
12 ~~effectuate a similar savings amount for this population; and~~
13 ~~(iv) no later than July 1, 2013, minimum level of care~~
14 ~~eligibility criteria for institutional and home and~~
15 ~~community based long term care. In order to select the minimum~~
16 ~~level of care eligibility criteria, the Governor shall~~
17 ~~establish a workgroup that includes affected agency~~
18 ~~representatives and stakeholders representing the~~
19 ~~institutional and home and community based long term care~~
20 ~~interests. This Section shall not restrict the Department from~~
21 ~~implementing lower level of care eligibility criteria for~~
22 ~~community based services in circumstances where federal~~
23 ~~approval has been granted.~~

24 The Illinois Department shall develop and operate, in
25 cooperation with other State Departments and agencies and in
26 compliance with applicable federal laws and regulations,

1 appropriate and effective systems of health care evaluation and
2 programs for monitoring of utilization of health care services
3 and facilities, as it affects persons eligible for medical
4 assistance under this Code.

5 The Illinois Department shall report annually to the
6 General Assembly, no later than the second Friday in April of
7 1979 and each year thereafter, in regard to:

8 (a) actual statistics and trends in utilization of
9 medical services by public aid recipients;

10 (b) actual statistics and trends in the provision of
11 the various medical services by medical vendors;

12 (c) current rate structures and proposed changes in
13 those rate structures for the various medical vendors; and

14 (d) efforts at utilization review and control by the
15 Illinois Department.

16 The period covered by each report shall be the 3 years
17 ending on the June 30 prior to the report. The report shall
18 include suggested legislation for consideration by the General
19 Assembly. The filing of one copy of the report with the
20 Speaker, one copy with the Minority Leader and one copy with
21 the Clerk of the House of Representatives, one copy with the
22 President, one copy with the Minority Leader and one copy with
23 the Secretary of the Senate, one copy with the Legislative
24 Research Unit, and such additional copies with the State
25 Government Report Distribution Center for the General Assembly
26 as is required under paragraph (t) of Section 7 of the State

1 Library Act shall be deemed sufficient to comply with this
2 Section.

3 Rulemaking authority to implement Public Act 95-1045, if
4 any, is conditioned on the rules being adopted in accordance
5 with all provisions of the Illinois Administrative Procedure
6 Act and all rules and procedures of the Joint Committee on
7 Administrative Rules; any purported rule not so adopted, for
8 whatever reason, is unauthorized.

9 ~~On and after July 1, 2012, the Department shall reduce any~~
10 ~~rate of reimbursement for services or other payments or alter~~
11 ~~any methodologies authorized by this Code to reduce any rate of~~
12 ~~reimbursement for services or other payments in accordance with~~
13 ~~Section 5-5c.~~

14 (Source: P.A. 96-156, eff. 1-1-10; 96-806, eff. 7-1-10; 96-926,
15 eff. 1-1-11; 96-1000, eff. 7-2-10; 97-48, eff. 6-28-11; 97-638,
16 eff. 1-1-12; 97-689, eff. 6-14-12; 97-1061, eff. 8-24-12;
17 revised 9-20-12.)

18 (305 ILCS 5/5-5.02) (from Ch. 23, par. 5-5.02)

19 Sec. 5-5.02. Hospital reimbursements.

20 (a) Reimbursement to Hospitals; July 1, 1992 through
21 September 30, 1992. Notwithstanding any other provisions of
22 this Code or the Illinois Department's Rules promulgated under
23 the Illinois Administrative Procedure Act, reimbursement to
24 hospitals for services provided during the period July 1, 1992
25 through September 30, 1992, shall be as follows:

1 (1) For inpatient hospital services rendered, or if
2 applicable, for inpatient hospital discharges occurring,
3 on or after July 1, 1992 and on or before September 30,
4 1992, the Illinois Department shall reimburse hospitals
5 for inpatient services under the reimbursement
6 methodologies in effect for each hospital, and at the
7 inpatient payment rate calculated for each hospital, as of
8 June 30, 1992. For purposes of this paragraph,
9 "reimbursement methodologies" means all reimbursement
10 methodologies that pertain to the provision of inpatient
11 hospital services, including, but not limited to, any
12 adjustments for disproportionate share, targeted access,
13 critical care access and uncompensated care, as defined by
14 the Illinois Department on June 30, 1992.

15 (2) For the purpose of calculating the inpatient
16 payment rate for each hospital eligible to receive
17 quarterly adjustment payments for targeted access and
18 critical care, as defined by the Illinois Department on
19 June 30, 1992, the adjustment payment for the period July
20 1, 1992 through September 30, 1992, shall be 25% of the
21 annual adjustment payments calculated for each eligible
22 hospital, as of June 30, 1992. The Illinois Department
23 shall determine by rule the adjustment payments for
24 targeted access and critical care beginning October 1,
25 1992.

26 (3) For the purpose of calculating the inpatient

1 payment rate for each hospital eligible to receive
2 quarterly adjustment payments for uncompensated care, as
3 defined by the Illinois Department on June 30, 1992, the
4 adjustment payment for the period August 1, 1992 through
5 September 30, 1992, shall be one-sixth of the total
6 uncompensated care adjustment payments calculated for each
7 eligible hospital for the uncompensated care rate year, as
8 defined by the Illinois Department, ending on July 31,
9 1992. The Illinois Department shall determine by rule the
10 adjustment payments for uncompensated care beginning
11 October 1, 1992.

12 (b) Inpatient payments. For inpatient services provided on
13 or after October 1, 1993, in addition to rates paid for
14 hospital inpatient services pursuant to the Illinois Health
15 Finance Reform Act, as now or hereafter amended, or the
16 Illinois Department's prospective reimbursement methodology,
17 or any other methodology used by the Illinois Department for
18 inpatient services, the Illinois Department shall make
19 adjustment payments, in an amount calculated pursuant to the
20 methodology described in paragraph (c) of this Section, to
21 hospitals that the Illinois Department determines satisfy any
22 one of the following requirements:

23 (1) Hospitals that are described in Section 1923 of the
24 federal Social Security Act, as now or hereafter amended;

25 or

26 (2) Illinois hospitals that have a Medicaid inpatient

1 utilization rate which is at least one-half a standard
2 deviation above the mean Medicaid inpatient utilization
3 rate for all hospitals in Illinois receiving Medicaid
4 payments from the Illinois Department; or

5 (3) Illinois hospitals that on July 1, 1991 had a
6 Medicaid inpatient utilization rate, as defined in
7 paragraph (h) of this Section, that was at least the mean
8 Medicaid inpatient utilization rate for all hospitals in
9 Illinois receiving Medicaid payments from the Illinois
10 Department and which were located in a planning area with
11 one-third or fewer excess beds as determined by the Health
12 Facilities and Services Review Board, and that, as of June
13 30, 1992, were located in a federally designated Health
14 Manpower Shortage Area; or

15 (4) Illinois hospitals that:

16 (A) have a Medicaid inpatient utilization rate
17 that is at least equal to the mean Medicaid inpatient
18 utilization rate for all hospitals in Illinois
19 receiving Medicaid payments from the Department; and

20 (B) also have a Medicaid obstetrical inpatient
21 utilization rate that is at least one standard
22 deviation above the mean Medicaid obstetrical
23 inpatient utilization rate for all hospitals in
24 Illinois receiving Medicaid payments from the
25 Department for obstetrical services; or

26 (5) Any children's hospital, which means a hospital

1 devoted exclusively to caring for children. A hospital
2 which includes a facility devoted exclusively to caring for
3 children shall be considered a children's hospital to the
4 degree that the hospital's Medicaid care is provided to
5 children if either (i) the facility devoted exclusively to
6 caring for children is separately licensed as a hospital by
7 a municipality prior to September 30, 1998 or (ii) the
8 hospital has been designated by the State as a Level III
9 perinatal care facility, has a Medicaid Inpatient
10 Utilization rate greater than 55% for the rate year 2003
11 disproportionate share determination, and has more than
12 10,000 qualified children days as defined by the Department
13 in rulemaking.

14 (c) Inpatient adjustment payments. The adjustment payments
15 required by paragraph (b) shall be calculated based upon the
16 hospital's Medicaid inpatient utilization rate as follows:

17 (1) hospitals with a Medicaid inpatient utilization
18 rate below the mean shall receive a per day adjustment
19 payment equal to \$25;

20 (2) hospitals with a Medicaid inpatient utilization
21 rate that is equal to or greater than the mean Medicaid
22 inpatient utilization rate but less than one standard
23 deviation above the mean Medicaid inpatient utilization
24 rate shall receive a per day adjustment payment equal to
25 the sum of \$25 plus \$1 for each one percent that the
26 hospital's Medicaid inpatient utilization rate exceeds the

1 mean Medicaid inpatient utilization rate;

2 (3) hospitals with a Medicaid inpatient utilization
3 rate that is equal to or greater than one standard
4 deviation above the mean Medicaid inpatient utilization
5 rate but less than 1.5 standard deviations above the mean
6 Medicaid inpatient utilization rate shall receive a per day
7 adjustment payment equal to the sum of \$40 plus \$7 for each
8 one percent that the hospital's Medicaid inpatient
9 utilization rate exceeds one standard deviation above the
10 mean Medicaid inpatient utilization rate; and

11 (4) hospitals with a Medicaid inpatient utilization
12 rate that is equal to or greater than 1.5 standard
13 deviations above the mean Medicaid inpatient utilization
14 rate shall receive a per day adjustment payment equal to
15 the sum of \$90 plus \$2 for each one percent that the
16 hospital's Medicaid inpatient utilization rate exceeds 1.5
17 standard deviations above the mean Medicaid inpatient
18 utilization rate.

19 (d) Supplemental adjustment payments. In addition to the
20 adjustment payments described in paragraph (c), hospitals as
21 defined in clauses (1) through (5) of paragraph (b), excluding
22 county hospitals (as defined in subsection (c) of Section 15-1
23 of this Code) and a hospital organized under the University of
24 Illinois Hospital Act, shall be paid supplemental inpatient
25 adjustment payments of \$60 per day. For purposes of Title XIX
26 of the federal Social Security Act, these supplemental

1 adjustment payments shall not be classified as adjustment
2 payments to disproportionate share hospitals.

3 (e) The inpatient adjustment payments described in
4 paragraphs (c) and (d) shall be increased on October 1, 1993
5 and annually thereafter by a percentage equal to the lesser of
6 (i) the increase in the DRI hospital cost index for the most
7 recent 12 month period for which data are available, or (ii)
8 the percentage increase in the statewide average hospital
9 payment rate over the previous year's statewide average
10 hospital payment rate. The sum of the inpatient adjustment
11 payments under paragraphs (c) and (d) to a hospital, other than
12 a county hospital (as defined in subsection (c) of Section 15-1
13 of this Code) or a hospital organized under the University of
14 Illinois Hospital Act, however, shall not exceed \$275 per day;
15 that limit shall be increased on October 1, 1993 and annually
16 thereafter by a percentage equal to the lesser of (i) the
17 increase in the DRI hospital cost index for the most recent
18 12-month period for which data are available or (ii) the
19 percentage increase in the statewide average hospital payment
20 rate over the previous year's statewide average hospital
21 payment rate.

22 (f) Children's hospital inpatient adjustment payments. For
23 children's hospitals, as defined in clause (5) of paragraph
24 (b), the adjustment payments required pursuant to paragraphs
25 (c) and (d) shall be multiplied by 2.0.

26 (g) County hospital inpatient adjustment payments. For

1 county hospitals, as defined in subsection (c) of Section 15-1
2 of this Code, there shall be an adjustment payment as
3 determined by rules issued by the Illinois Department.

4 (h) For the purposes of this Section the following terms
5 shall be defined as follows:

6 (1) "Medicaid inpatient utilization rate" means a
7 fraction, the numerator of which is the number of a
8 hospital's inpatient days provided in a given 12-month
9 period to patients who, for such days, were eligible for
10 Medicaid under Title XIX of the federal Social Security
11 Act, and the denominator of which is the total number of
12 the hospital's inpatient days in that same period.

13 (2) "Mean Medicaid inpatient utilization rate" means
14 the total number of Medicaid inpatient days provided by all
15 Illinois Medicaid-participating hospitals divided by the
16 total number of inpatient days provided by those same
17 hospitals.

18 (3) "Medicaid obstetrical inpatient utilization rate"
19 means the ratio of Medicaid obstetrical inpatient days to
20 total Medicaid inpatient days for all Illinois hospitals
21 receiving Medicaid payments from the Illinois Department.

22 (i) Inpatient adjustment payment limit. In order to meet
23 the limits of Public Law 102-234 and Public Law 103-66, the
24 Illinois Department shall by rule adjust disproportionate
25 share adjustment payments.

26 (j) University of Illinois Hospital inpatient adjustment

1 payments. For hospitals organized under the University of
2 Illinois Hospital Act, there shall be an adjustment payment as
3 determined by rules adopted by the Illinois Department.

4 (k) The Illinois Department may by rule establish criteria
5 for and develop methodologies for adjustment payments to
6 hospitals participating under this Article.

7 (l) (Blank). ~~On and after July 1, 2012, the Department~~
8 ~~shall reduce any rate of reimbursement for services or other~~
9 ~~payments or alter any methodologies authorized by this Code to~~
10 ~~reduce any rate of reimbursement for services or other payments~~
11 ~~in accordance with Section 5-5e.~~

12 (Source: P.A. 96-31, eff. 6-30-09; 97-689, eff. 6-14-12.)

13 (305 ILCS 5/5-5.05)

14 Sec. 5-5.05. Hospitals; psychiatric services.

15 (a) On and after July 1, 2008, the inpatient, per diem rate
16 to be paid to a hospital for inpatient psychiatric services
17 shall be \$363.77.

18 (b) For purposes of this Section, "hospital" means the
19 following:

- 20 (1) Advocate Christ Hospital, Oak Lawn, Illinois.
- 21 (2) Barnes-Jewish Hospital, St. Louis, Missouri.
- 22 (3) BroMenn Healthcare, Bloomington, Illinois.
- 23 (4) Jackson Park Hospital, Chicago, Illinois.
- 24 (5) Katherine Shaw Bethea Hospital, Dixon, Illinois.
- 25 (6) Lawrence County Memorial Hospital, Lawrenceville,

1 Illinois.

2 (7) Advocate Lutheran General Hospital, Park Ridge,
3 Illinois.

4 (8) Mercy Hospital and Medical Center, Chicago,
5 Illinois.

6 (9) Methodist Medical Center of Illinois, Peoria,
7 Illinois.

8 (10) Provena United Samaritans Medical Center,
9 Danville, Illinois.

10 (11) Rockford Memorial Hospital, Rockford, Illinois.

11 (12) Sarah Bush Lincoln Health Center, Mattoon,
12 Illinois.

13 (13) Provena Covenant Medical Center, Urbana,
14 Illinois.

15 (14) Rush-Presbyterian-St. Luke's Medical Center,
16 Chicago, Illinois.

17 (15) Mt. Sinai Hospital, Chicago, Illinois.

18 (16) Gateway Regional Medical Center, Granite City,
19 Illinois.

20 (17) St. Mary of Nazareth Hospital, Chicago, Illinois.

21 (18) Provena St. Mary's Hospital, Kankakee, Illinois.

22 (19) St. Mary's Hospital, Decatur, Illinois.

23 (20) Memorial Hospital, Belleville, Illinois.

24 (21) Swedish Covenant Hospital, Chicago, Illinois.

25 (22) Trinity Medical Center, Rock Island, Illinois.

26 (23) St. Elizabeth Hospital, Chicago, Illinois.

- 1 (24) Richland Memorial Hospital, Olney, Illinois.
2 (25) St. Elizabeth's Hospital, Belleville, Illinois.
3 (26) Samaritan Health System, Clinton, Iowa.
4 (27) St. John's Hospital, Springfield, Illinois.
5 (28) St. Mary's Hospital, Centralia, Illinois.
6 (29) Loretto Hospital, Chicago, Illinois.
7 (30) Kenneth Hall Regional Hospital, East St. Louis,
8 Illinois.
9 (31) Hinsdale Hospital, Hinsdale, Illinois.
10 (32) Pekin Hospital, Pekin, Illinois.
11 (33) University of Chicago Medical Center, Chicago,
12 Illinois.
13 (34) St. Anthony's Health Center, Alton, Illinois.
14 (35) OSF St. Francis Medical Center, Peoria, Illinois.
15 (36) Memorial Medical Center, Springfield, Illinois.
16 (37) A hospital with a distinct part unit for
17 psychiatric services that begins operating on or after July
18 1, 2008.

19 For purposes of this Section, "inpatient psychiatric
20 services" means those services provided to patients who are in
21 need of short-term acute inpatient hospitalization for active
22 treatment of an emotional or mental disorder.

23 (c) No rules shall be promulgated to implement this
24 Section. For purposes of this Section, "rules" is given the
25 meaning contained in Section 1-70 of the Illinois
26 Administrative Procedure Act.

1 (d) This Section shall not be in effect during any period
2 of time that the State has in place a fully operational
3 hospital assessment plan that has been approved by the Centers
4 for Medicare and Medicaid Services of the U.S. Department of
5 Health and Human Services.

6 (e) (Blank). ~~On and after July 1, 2012, the Department~~
7 ~~shall reduce any rate of reimbursement for services or other~~
8 ~~payments or alter any methodologies authorized by this Code to~~
9 ~~reduce any rate of reimbursement for services or other payments~~
10 ~~in accordance with Section 5-5e.~~

11 (Source: P.A. 97-689, eff. 6-14-12.)

12 (305 ILCS 5/5-5.2) (from Ch. 23, par. 5-5.2)

13 Sec. 5-5.2. Payment.

14 (a) All nursing facilities that are grouped pursuant to
15 Section 5-5.1 of this Act shall receive the same rate of
16 payment for similar services.

17 (b) It shall be a matter of State policy that the Illinois
18 Department shall utilize a uniform billing cycle throughout the
19 State for the long-term care providers.

20 (c) Notwithstanding any other provisions of this Code,
21 beginning July 1, 2013 the methodologies for reimbursement of
22 nursing facility services as provided under this Article shall
23 no longer be applicable for bills payable for State fiscal
24 years 2013 and thereafter. The Department of Healthcare and
25 Family Services shall, effective July 1, 2013, implement an

1 evidence-based payment methodology for the reimbursement of
2 nursing facility services. The methodology shall continue to
3 take into consideration the needs of individual residents, as
4 assessed and reported by the most current version of the
5 nursing facility Resident Assessment Instrument, adopted and
6 in use by the federal government. ~~nursing services rendered on~~
7 ~~or after a new reimbursement system based on the Resource~~
8 ~~Utilization Groups (RUGs) has been fully operationalized,~~
9 ~~which shall take effect for services provided on or after~~
10 ~~January 1, 2014.~~

11 (d) (Blank). ~~A new nursing services reimbursement~~
12 ~~methodology utilizing RUGs IV 48 grouper model shall be~~
13 ~~established and may include an Illinois specific default~~
14 ~~group, as needed. The new RUGs based nursing services~~
15 ~~reimbursement methodology shall be resident driven,~~
16 ~~facility specific, and cost based. Costs shall be annually~~
17 ~~rebased and case mix index quarterly updated. The methodology~~
18 ~~shall include regional wage adjustors based on the Health~~
19 ~~Service Areas (HSA) groupings in effect on April 30, 2012. The~~
20 ~~Department shall assign a case mix index to each resident class~~
21 ~~based on the Centers for Medicare and Medicaid Services staff~~
22 ~~time measurement study utilizing an index maximization~~
23 ~~approach.~~

24 (e) (Blank). ~~Notwithstanding any other provision of this~~
25 ~~Code, the Department shall by rule develop a reimbursement~~
26 ~~methodology reflective of the intensity of care and services~~

1 ~~requirements of low need residents in the lowest RUG IV~~
2 ~~groupers and corresponding regulations.~~

3 (f) (Blank). ~~Notwithstanding any other provision of this~~
4 ~~Code, on and after July 1, 2012, reimbursement rates associated~~
5 ~~with the nursing or support components of the current nursing~~
6 ~~facility rate methodology shall not increase beyond the level~~
7 ~~effective May 1, 2011 until a new reimbursement system based on~~
8 ~~the RUGs IV 48 grouper model has been fully operationalized.~~

9 (g) (Blank). ~~Notwithstanding any other provision of this~~
10 ~~Code, on and after July 1, 2012, for facilities not designated~~
11 ~~by the Department of Healthcare and Family Services as~~
12 ~~"Institutions for Mental Disease", rates effective May 1, 2011~~
13 ~~shall be adjusted as follows:~~

14 ~~(1) Individual nursing rates for residents classified~~
15 ~~in RUG IV groups PA1, PA2, BA1, and BA2 during the quarter~~
16 ~~ending March 31, 2012 shall be reduced by 10%;~~

17 ~~(2) Individual nursing rates for residents classified~~
18 ~~in all other RUG IV groups shall be reduced by 1.0%;~~

19 ~~(3) Facility rates for the capital and support~~
20 ~~components shall be reduced by 1.7%.~~

21 (h) (Blank). ~~Notwithstanding any other provision of this~~
22 ~~Code, on and after July 1, 2012, nursing facilities designated~~
23 ~~by the Department of Healthcare and Family Services as~~
24 ~~"Institutions for Mental Disease" and "Institutions for Mental~~
25 ~~Disease" that are facilities licensed under the Specialized~~
26 ~~Mental Health Rehabilitation Act shall have the nursing,~~

1 ~~socio-developmental, capital, and support components of their~~
2 ~~reimbursement rate effective May 1, 2011 reduced in total by~~
3 ~~2.7%.~~

4 (Source: P.A. 96-1530, eff. 2-16-11; 97-689, eff. 6-14-12.)

5 (305 ILCS 5/5-5.3) (from Ch. 23, par. 5-5.3)

6 Sec. 5-5.3. Conditions of Payment - Prospective Rates -
7 Accounting Principles. This amendatory Act establishes certain
8 conditions for the Department of Healthcare and Family Services
9 in instituting rates for the care of recipients of medical
10 assistance in nursing facilities and ICF/DDs. Such conditions
11 shall assure a method under which the payment for nursing
12 facility and ICF/DD services provided to recipients under the
13 Medical Assistance Program shall be on a reasonable cost
14 related basis, which is prospectively determined at least
15 annually by the Department of Public Aid (now Healthcare and
16 Family Services). The annually established payment rate shall
17 take effect on July 1 in 1984 and subsequent years. There shall
18 be no rate increase during calendar year 1983 and the first six
19 months of calendar year 1984.

20 The determination of the payment shall be made on the basis
21 of generally accepted accounting principles that shall take
22 into account the actual costs to the facility of providing
23 nursing facility and ICF/DD services to recipients under the
24 medical assistance program.

25 The resultant total rate for a specified type of service

1 shall be an amount which shall have been determined to be
2 adequate to reimburse allowable costs of a facility that is
3 economically and efficiently operated. The Department shall
4 establish an effective date for each facility or group of
5 facilities after which rates shall be paid on a reasonable cost
6 related basis which shall be no sooner than the effective date
7 of this amendatory Act of 1977.

8 ~~On and after July 1, 2012, the Department shall reduce any~~
9 ~~rate of reimbursement for services or other payments or alter~~
10 ~~any methodologies authorized by this Code to reduce any rate of~~
11 ~~reimbursement for services or other payments in accordance with~~
12 ~~Section 5-5e.~~

13 (Source: P.A. 96-1530, eff. 2-16-11; 97-689, eff. 6-14-12.)

14 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

15 Sec. 5-5.4. Standards of Payment - Department of Healthcare
16 and Family Services. The Department of Healthcare and Family
17 Services shall develop standards of payment of nursing facility
18 and ICF/DD services in facilities providing such services under
19 this Article which:

20 (1) Provide for the determination of a facility's payment
21 for nursing facility or ICF/DD services on a prospective basis.
22 The amount of the payment rate for all nursing facilities
23 certified by the Department of Public Health under the ID/DD
24 Community Care Act or the Nursing Home Care Act as Intermediate
25 Care for the Developmentally Disabled facilities, Long Term

1 Care for Under Age 22 facilities, Skilled Nursing facilities,
2 or Intermediate Care facilities under the medical assistance
3 program shall be prospectively established annually on the
4 basis of historical, financial, and statistical data
5 reflecting actual costs from prior years, which shall be
6 applied to the current rate year and updated for inflation,
7 except that the capital cost element for newly constructed
8 facilities shall be based upon projected budgets. The annually
9 established payment rate shall take effect on July 1 in 1984
10 and subsequent years. No rate increase and no update for
11 inflation shall be provided on or after July 1, 1994 and before
12 July 1, 2014 ~~January 1, 2014~~, unless specifically provided for
13 in this Section. The changes made by Public Act 93-841
14 extending the duration of the prohibition against a rate
15 increase or update for inflation are effective retroactive to
16 July 1, 2004.

17 For facilities licensed by the Department of Public Health
18 under the Nursing Home Care Act as Intermediate Care for the
19 Developmentally Disabled facilities or Long Term Care for Under
20 Age 22 facilities, the rates taking effect on July 1, 1998
21 shall include an increase of 3%. For facilities licensed by the
22 Department of Public Health under the Nursing Home Care Act as
23 Skilled Nursing facilities or Intermediate Care facilities,
24 the rates taking effect on July 1, 1998 shall include an
25 increase of 3% plus \$1.10 per resident-day, as defined by the
26 Department. For facilities licensed by the Department of Public

1 Health under the Nursing Home Care Act as Intermediate Care
2 Facilities for the Developmentally Disabled or Long Term Care
3 for Under Age 22 facilities, the rates taking effect on January
4 1, 2006 shall include an increase of 3%. For facilities
5 licensed by the Department of Public Health under the Nursing
6 Home Care Act as Intermediate Care Facilities for the
7 Developmentally Disabled or Long Term Care for Under Age 22
8 facilities, the rates taking effect on January 1, 2009 shall
9 include an increase sufficient to provide a \$0.50 per hour wage
10 increase for non-executive staff.

11 For facilities licensed by the Department of Public Health
12 under the Nursing Home Care Act as Intermediate Care for the
13 Developmentally Disabled facilities or Long Term Care for Under
14 Age 22 facilities, the rates taking effect on July 1, 1999
15 shall include an increase of 1.6% plus \$3.00 per resident-day,
16 as defined by the Department. For facilities licensed by the
17 Department of Public Health under the Nursing Home Care Act as
18 Skilled Nursing facilities or Intermediate Care facilities,
19 the rates taking effect on July 1, 1999 shall include an
20 increase of 1.6% and, for services provided on or after October
21 1, 1999, shall be increased by \$4.00 per resident-day, as
22 defined by the Department.

23 For facilities licensed by the Department of Public Health
24 under the Nursing Home Care Act as Intermediate Care for the
25 Developmentally Disabled facilities or Long Term Care for Under
26 Age 22 facilities, the rates taking effect on July 1, 2000

1 shall include an increase of 2.5% per resident-day, as defined
2 by the Department. For facilities licensed by the Department of
3 Public Health under the Nursing Home Care Act as Skilled
4 Nursing facilities or Intermediate Care facilities, the rates
5 taking effect on July 1, 2000 shall include an increase of 2.5%
6 per resident-day, as defined by the Department.

7 For facilities licensed by the Department of Public Health
8 under the Nursing Home Care Act as skilled nursing facilities
9 or intermediate care facilities, a new payment methodology must
10 be implemented for the nursing component of the rate effective
11 July 1, 2003. The Department of Public Aid (now Healthcare and
12 Family Services) shall develop the new payment methodology
13 using the Minimum Data Set (MDS) as the instrument to collect
14 information concerning nursing home resident condition
15 necessary to compute the rate. The Department shall develop the
16 new payment methodology to meet the unique needs of Illinois
17 nursing home residents while remaining subject to the
18 appropriations provided by the General Assembly. A transition
19 period from the payment methodology in effect on June 30, 2003
20 to the payment methodology in effect on July 1, 2003 shall be
21 provided for a period not exceeding 3 years and 184 days after
22 implementation of the new payment methodology as follows:

23 (A) For a facility that would receive a lower nursing
24 component rate per patient day under the new system than
25 the facility received effective on the date immediately
26 preceding the date that the Department implements the new

1 payment methodology, the nursing component rate per
2 patient day for the facility shall be held at the level in
3 effect on the date immediately preceding the date that the
4 Department implements the new payment methodology until a
5 higher nursing component rate of reimbursement is achieved
6 by that facility.

7 (B) For a facility that would receive a higher nursing
8 component rate per patient day under the payment
9 methodology in effect on July 1, 2003 than the facility
10 received effective on the date immediately preceding the
11 date that the Department implements the new payment
12 methodology, the nursing component rate per patient day for
13 the facility shall be adjusted.

14 (C) Notwithstanding paragraphs (A) and (B), the
15 nursing component rate per patient day for the facility
16 shall be adjusted subject to appropriations provided by the
17 General Assembly.

18 For facilities licensed by the Department of Public Health
19 under the Nursing Home Care Act as Intermediate Care for the
20 Developmentally Disabled facilities or Long Term Care for Under
21 Age 22 facilities, the rates taking effect on March 1, 2001
22 shall include a statewide increase of 7.85%, as defined by the
23 Department.

24 Notwithstanding any other provision of this Section, for
25 facilities licensed by the Department of Public Health under
26 the Nursing Home Care Act as skilled nursing facilities or

1 intermediate care facilities, except facilities participating
2 in the Department's demonstration program pursuant to the
3 provisions of Title 77, Part 300, Subpart T of the Illinois
4 Administrative Code, the numerator of the ratio used by the
5 Department of Healthcare and Family Services to compute the
6 rate payable under this Section using the Minimum Data Set
7 (MDS) methodology shall incorporate the following annual
8 amounts as the additional funds appropriated to the Department
9 specifically to pay for rates based on the MDS nursing
10 component methodology in excess of the funding in effect on
11 December 31, 2006:

12 (i) For rates taking effect January 1, 2007,
13 \$60,000,000.

14 (ii) For rates taking effect January 1, 2008,
15 \$110,000,000.

16 (iii) For rates taking effect January 1, 2009,
17 \$194,000,000.

18 (iv) For rates taking effect April 1, 2011, or the
19 first day of the month that begins at least 45 days after
20 the effective date of this amendatory Act of the 96th
21 General Assembly, \$416,500,000 or an amount as may be
22 necessary to complete the transition to the MDS methodology
23 for the nursing component of the rate. Increased payments
24 under this item (iv) are not due and payable, however,
25 until (i) the methodologies described in this paragraph are
26 approved by the federal government in an appropriate State

1 Plan amendment and (ii) the assessment imposed by Section
2 5B-2 of this Code is determined to be a permissible tax
3 under Title XIX of the Social Security Act.

4 Notwithstanding any other provision of this Section, for
5 facilities licensed by the Department of Public Health under
6 the Nursing Home Care Act as skilled nursing facilities or
7 intermediate care facilities, the support component of the
8 rates taking effect on January 1, 2008 shall be computed using
9 the most recent cost reports on file with the Department of
10 Healthcare and Family Services no later than April 1, 2005,
11 updated for inflation to January 1, 2006.

12 For facilities licensed by the Department of Public Health
13 under the Nursing Home Care Act as Intermediate Care for the
14 Developmentally Disabled facilities or Long Term Care for Under
15 Age 22 facilities, the rates taking effect on April 1, 2002
16 shall include a statewide increase of 2.0%, as defined by the
17 Department. This increase terminates on July 1, 2002; beginning
18 July 1, 2002 these rates are reduced to the level of the rates
19 in effect on March 31, 2002, as defined by the Department.

20 For facilities licensed by the Department of Public Health
21 under the Nursing Home Care Act as skilled nursing facilities
22 or intermediate care facilities, the rates taking effect on
23 July 1, 2001 shall be computed using the most recent cost
24 reports on file with the Department of Public Aid no later than
25 April 1, 2000, updated for inflation to January 1, 2001. For
26 rates effective July 1, 2001 only, rates shall be the greater

1 of the rate computed for July 1, 2001 or the rate effective on
2 June 30, 2001.

3 Notwithstanding any other provision of this Section, for
4 facilities licensed by the Department of Public Health under
5 the Nursing Home Care Act as skilled nursing facilities or
6 intermediate care facilities, the Illinois Department shall
7 determine by rule the rates taking effect on July 1, 2002,
8 which shall be 5.9% less than the rates in effect on June 30,
9 2002.

10 Notwithstanding any other provision of this Section, for
11 facilities licensed by the Department of Public Health under
12 the Nursing Home Care Act as skilled nursing facilities or
13 intermediate care facilities, if the payment methodologies
14 required under Section 5A-12 and the waiver granted under 42
15 CFR 433.68 are approved by the United States Centers for
16 Medicare and Medicaid Services, the rates taking effect on July
17 1, 2004 shall be 3.0% greater than the rates in effect on June
18 30, 2004. These rates shall take effect only upon approval and
19 implementation of the payment methodologies required under
20 Section 5A-12.

21 Notwithstanding any other provisions of this Section, for
22 facilities licensed by the Department of Public Health under
23 the Nursing Home Care Act as skilled nursing facilities or
24 intermediate care facilities, the rates taking effect on
25 January 1, 2005 shall be 3% more than the rates in effect on
26 December 31, 2004.

1 Notwithstanding any other provision of this Section, for
2 facilities licensed by the Department of Public Health under
3 the Nursing Home Care Act as skilled nursing facilities or
4 intermediate care facilities, effective January 1, 2009, the
5 per diem support component of the rates effective on January 1,
6 2008, computed using the most recent cost reports on file with
7 the Department of Healthcare and Family Services no later than
8 April 1, 2005, updated for inflation to January 1, 2006, shall
9 be increased to the amount that would have been derived using
10 standard Department of Healthcare and Family Services methods,
11 procedures, and inflators.

12 Notwithstanding any other provisions of this Section, for
13 facilities licensed by the Department of Public Health under
14 the Nursing Home Care Act as intermediate care facilities that
15 are federally defined as Institutions for Mental Disease, or
16 facilities licensed by the Department of Public Health under
17 the Specialized Mental Health Rehabilitation Facilities Act, a
18 socio-development component rate equal to 6.6% of the
19 facility's nursing component rate as of January 1, 2006 shall
20 be established and paid effective July 1, 2006. The
21 socio-development component of the rate shall be increased by a
22 factor of 2.53 on the first day of the month that begins at
23 least 45 days after January 11, 2008 (the effective date of
24 Public Act 95-707). As of August 1, 2008, the socio-development
25 component rate shall be equal to 6.6% of the facility's nursing
26 component rate as of January 1, 2006, multiplied by a factor of

1 3.53. For services provided on or after April 1, 2011, or the
2 first day of the month that begins at least 45 days after the
3 effective date of this amendatory Act of the 96th General
4 Assembly, whichever is later, the Illinois Department may by
5 rule adjust these socio-development component rates, and may
6 use different adjustment methodologies for those facilities
7 participating, and those not participating, in the Illinois
8 Department's demonstration program pursuant to the provisions
9 of Title 77, Part 300, Subpart T of the Illinois Administrative
10 Code, but in no case may such rates be diminished below those
11 in effect on August 1, 2008.

12 For facilities licensed by the Department of Public Health
13 under the Nursing Home Care Act as Intermediate Care for the
14 Developmentally Disabled facilities or as long-term care
15 facilities for residents under 22 years of age, the rates
16 taking effect on July 1, 2003 shall include a statewide
17 increase of 4%, as defined by the Department.

18 For facilities licensed by the Department of Public Health
19 under the Nursing Home Care Act as Intermediate Care for the
20 Developmentally Disabled facilities or Long Term Care for Under
21 Age 22 facilities, the rates taking effect on the first day of
22 the month that begins at least 45 days after the effective date
23 of this amendatory Act of the 95th General Assembly shall
24 include a statewide increase of 2.5%, as defined by the
25 Department.

26 Notwithstanding any other provision of this Section, for

1 facilities licensed by the Department of Public Health under
2 the Nursing Home Care Act as skilled nursing facilities or
3 intermediate care facilities, effective January 1, 2005,
4 facility rates shall be increased by the difference between (i)
5 a facility's per diem property, liability, and malpractice
6 insurance costs as reported in the cost report filed with the
7 Department of Public Aid and used to establish rates effective
8 July 1, 2001 and (ii) those same costs as reported in the
9 facility's 2002 cost report. These costs shall be passed
10 through to the facility without caps or limitations, except for
11 adjustments required under normal auditing procedures.

12 Rates established effective each July 1 shall govern
13 payment for services rendered throughout that fiscal year,
14 except that rates established on July 1, 1996 shall be
15 increased by 6.8% for services provided on or after January 1,
16 1997. Such rates will be based upon the rates calculated for
17 the year beginning July 1, 1990, and for subsequent years
18 thereafter until June 30, 2001 shall be based on the facility
19 cost reports for the facility fiscal year ending at any point
20 in time during the previous calendar year, updated to the
21 midpoint of the rate year. The cost report shall be on file
22 with the Department no later than April 1 of the current rate
23 year. Should the cost report not be on file by April 1, the
24 Department shall base the rate on the latest cost report filed
25 by each skilled care facility and intermediate care facility,
26 updated to the midpoint of the current rate year. In

1 determining rates for services rendered on and after July 1,
2 1985, fixed time shall not be computed at less than zero. The
3 Department shall not make any alterations of regulations which
4 would reduce any component of the Medicaid rate to a level
5 below what that component would have been utilizing in the rate
6 effective on July 1, 1984.

7 (2) Shall take into account the actual costs incurred by
8 facilities in providing services for recipients of skilled
9 nursing and intermediate care services under the medical
10 assistance program.

11 (3) Shall take into account the medical and psycho-social
12 characteristics and needs of the patients.

13 (4) Shall take into account the actual costs incurred by
14 facilities in meeting licensing and certification standards
15 imposed and prescribed by the State of Illinois, any of its
16 political subdivisions or municipalities and by the U.S.
17 Department of Health and Human Services pursuant to Title XIX
18 of the Social Security Act.

19 The Department of Healthcare and Family Services shall
20 develop precise standards for payments to reimburse nursing
21 facilities for any utilization of appropriate rehabilitative
22 personnel for the provision of rehabilitative services which is
23 authorized by federal regulations, including reimbursement for
24 services provided by qualified therapists or qualified
25 assistants, and which is in accordance with accepted
26 professional practices. Reimbursement also may be made for

1 utilization of other supportive personnel under appropriate
2 supervision.

3 The Department shall develop enhanced payments to offset
4 the additional costs incurred by a facility serving exceptional
5 need residents and shall allocate at least \$8,000,000 of the
6 funds collected from the assessment established by Section 5B-2
7 of this Code for such payments. For the purpose of this
8 Section, "exceptional needs" means, but need not be limited to,
9 ventilator care, tracheotomy care, bariatric care, complex
10 wound care, and traumatic brain injury care. The enhanced
11 payments for exceptional need residents under this paragraph
12 are not due and payable, however, until (i) the methodologies
13 described in this paragraph are approved by the federal
14 government in an appropriate State Plan amendment and (ii) the
15 assessment imposed by Section 5B-2 of this Code is determined
16 to be a permissible tax under Title XIX of the Social Security
17 Act.

18 (5) Beginning July 1, 2014 ~~January 1, 2014~~ the
19 methodologies for reimbursement of nursing facility services
20 as provided under this Section 5-5.4 shall no longer be
21 applicable for bills payable for State fiscal years 2014 and
22 thereafter ~~services provided on or after January 1, 2014.~~

23 (6) No payment increase under this Section for the MDS
24 methodology, exceptional care residents, or the
25 socio-development component rate established by Public Act
26 96-1530 of the 96th General Assembly and funded by the

1 assessment imposed under Section 5B-2 of this Code shall be due
2 and payable until after the Department notifies the long-term
3 care providers, in writing, that the payment methodologies to
4 long-term care providers required under this Section have been
5 approved by the Centers for Medicare and Medicaid Services of
6 the U.S. Department of Health and Human Services and the
7 waivers under 42 CFR 433.68 for the assessment imposed by this
8 Section, if necessary, have been granted by the Centers for
9 Medicare and Medicaid Services of the U.S. Department of Health
10 and Human Services. Upon notification to the Department of
11 approval of the payment methodologies required under this
12 Section and the waivers granted under 42 CFR 433.68, all
13 increased payments otherwise due under this Section prior to
14 the date of notification shall be due and payable within 90
15 days of the date federal approval is received.

16 ~~On and after July 1, 2012, the Department shall reduce any~~
17 ~~rate of reimbursement for services or other payments or alter~~
18 ~~any methodologies authorized by this Code to reduce any rate of~~
19 ~~reimbursement for services or other payments in accordance with~~
20 ~~Section 5-5e.~~

21 (Source: P.A. 96-45, eff. 7-15-09; 96-339, eff. 7-1-10; 96-959,
22 eff. 7-1-10; 96-1000, eff. 7-2-10; 96-1530, eff. 2-16-11;
23 97-10, eff. 6-14-11; 97-38, eff. 6-28-11; 97-227, eff. 1-1-12;
24 97-584, eff. 8-26-11; 97-689, eff. 6-14-12; 97-813, eff.
25 7-13-12.)

1 (305 ILCS 5/5-5.4e)

2 Sec. 5-5.4e. Nursing facilities; ventilator rates. On and
3 after October 1, 2009, the Department of Healthcare and Family
4 Services shall adopt rules to provide medical assistance
5 reimbursement under this Article for the care of persons on
6 ventilators in skilled nursing facilities licensed under the
7 Nursing Home Care Act and certified to participate under the
8 medical assistance program. Accordingly, necessary amendments
9 to the rules implementing the Minimum Data Set (MDS) payment
10 methodology shall also be made to provide a separate per diem
11 ventilator rate based on days of service. The Department may
12 adopt rules necessary to implement this amendatory Act of the
13 96th General Assembly through the use of emergency rulemaking
14 in accordance with Section 5-45 of the Illinois Administrative
15 Procedure Act, except that the 24-month limitation on the
16 adoption of emergency rules under Section 5-45 and the
17 provisions of Sections 5-115 and 5-125 of that Act do not apply
18 to rules adopted under this Section. For purposes of that Act,
19 the General Assembly finds that the adoption of rules to
20 implement this amendatory Act of the 96th General Assembly is
21 deemed an emergency and necessary for the public interest,
22 safety, and welfare.

23 ~~On and after July 1, 2012, the Department shall reduce any~~
24 ~~rate of reimbursement for services or other payments or alter~~
25 ~~any methodologies authorized by this Code to reduce any rate of~~
26 ~~reimbursement for services or other payments in accordance with~~

1 ~~Section 5-5c.~~

2 (Source: P.A. 96-743, eff. 8-25-09; 97-689, eff. 6-14-12.)

3 (305 ILCS 5/5-5.4h new)

4 Sec. 5-5.4h. Intermediate Care Facility for the
5 Developmentally Disabled; bed reserve payments. The
6 Department shall promulgate rules that establish a policy of
7 bed reserve payments to ICF/DDs which addresses the needs of
8 residents of ICF/DDs and their families.

9 (a) When a resident of an ICF/DD is absent from the
10 facility in which he or she is a resident for purposes of
11 physician authorized in-patient admission to a hospital, the
12 Department's rules shall, at a minimum, provide (1) bed reserve
13 payments at a daily rate which is 100% of the client's current
14 per diem rate, for a period not exceeding 10 consecutive days;
15 (2) bed reserve payments at a daily rate which is 75% of a
16 client's current per diem rate, for a period which exceeds 10
17 consecutive days but does not exceed 30 consecutive days; and
18 (3) bed reserve payments at a daily rate which is 50% of a
19 client's current per diem rate for a period which exceeds
20 thirty consecutive days but does not exceed 45 consecutive
21 days.

22 (b) When a resident of an ICF/DD is absent from the
23 facility in which he or she is a resident for purposes of a
24 home visit with a family member the Department's rules shall,
25 at a minimum, provide (1) bed reserve payments at a rate which

1 is 100% of a client's current per diem rate, for a period not
2 exceeding 10 days per State fiscal year; and (2) bed reserve
3 payments at a rate which is 75% of a client's current per diem
4 rate, for a period which exceeds 10 days per State fiscal year
5 but does not exceed 30 days per State fiscal year.

6 (c) No Department rule regarding bed reserve payments shall
7 require an ICF/DD to have a specified percentage of total
8 facility occupancy as a requirement for receiving bed reserve
9 payments.

10 This Section 5-5.4h shall not apply to any State operated
11 facilities.

12 (305 ILCS 5/5-5.4i new)

13 Sec. 5-5.4i. Bed reserves; approval. The Department of
14 Healthcare and Family Services shall approve bed reserves at a
15 daily rate of 75% of an individual's current Medicaid per diem,
16 for nursing facilities 90% or more of whose residents are
17 Medicaid recipients and that have occupancy levels of at least
18 93% for resident bed reserves not exceeding 10 days.

19 (305 ILCS 5/5-5.5) (from Ch. 23, par. 5-5.5)

20 Sec. 5-5.5. Elements of Payment Rate.

21 (a) The Department of Healthcare and Family Services shall
22 develop a prospective method for determining payment rates for
23 nursing facility and ICF/DD services in nursing facilities
24 composed of the following cost elements:

1 (1) Standard Services, with the cost of this component
2 being determined by taking into account the actual costs to
3 the facilities of these services subject to cost ceilings
4 to be defined in the Department's rules.

5 (2) Resident Services, with the cost of this component
6 being determined by taking into account the actual costs,
7 needs and utilization of these services, as derived from an
8 assessment of the resident needs in the nursing facilities.

9 (3) Ancillary Services, with the payment rate being
10 developed for each individual type of service. Payment
11 shall be made only when authorized under procedures
12 developed by the Department of Healthcare and Family
13 Services.

14 (4) Nurse's Aide Training, with the cost of this
15 component being determined by taking into account the
16 actual cost to the facilities of such training.

17 (5) Real Estate Taxes, with the cost of this component
18 being determined by taking into account the figures
19 contained in the most currently available cost reports
20 (with no imposition of maximums) updated to the midpoint of
21 the current rate year for long term care services rendered
22 between July 1, 1984 and June 30, 1985, and with the cost
23 of this component being determined by taking into account
24 the actual 1983 taxes for which the nursing homes were
25 assessed (with no imposition of maximums) updated to the
26 midpoint of the current rate year for long term care

1 services rendered between July 1, 1985 and June 30, 1986.

2 (b) In developing a prospective method for determining
3 payment rates for nursing facility and ICF/DD services in
4 nursing facilities and ICF/DDs, the Department of Healthcare
5 and Family Services shall consider the following cost elements:

6 (1) Reasonable capital cost determined by utilizing
7 incurred interest rate and the current value of the
8 investment, including land, utilizing composite rates, or
9 by utilizing such other reasonable cost related methods
10 determined by the Department. However, beginning with the
11 rate reimbursement period effective July 1, 1987, the
12 Department shall be prohibited from establishing,
13 including, and implementing any depreciation factor in
14 calculating the capital cost element.

15 (2) Profit, with the actual amount being produced and
16 accruing to the providers in the form of a return on their
17 total investment, on the basis of their ability to
18 economically and efficiently deliver a type of service. The
19 method of payment may assure the opportunity for a profit,
20 but shall not guarantee or establish a specific amount as a
21 cost.

22 (c) The Illinois Department may implement the amendatory
23 changes to this Section made by this amendatory Act of 1991
24 through the use of emergency rules in accordance with the
25 provisions of Section 5.02 of the Illinois Administrative
26 Procedure Act. For purposes of the Illinois Administrative

1 Procedure Act, the adoption of rules to implement the
2 amendatory changes to this Section made by this amendatory Act
3 of 1991 shall be deemed an emergency and necessary for the
4 public interest, safety and welfare.

5 (d) No later than January 1, 2001, the Department of Public
6 Aid shall file with the Joint Committee on Administrative
7 Rules, pursuant to the Illinois Administrative Procedure Act, a
8 proposed rule, or a proposed amendment to an existing rule,
9 regarding payment for appropriate services, including
10 assessment, care planning, discharge planning, and treatment
11 provided by nursing facilities to residents who have a serious
12 mental illness.

13 (e) (Blank). ~~On and after July 1, 2012, the Department~~
14 ~~shall reduce any rate of reimbursement for services or other~~
15 ~~payments or alter any methodologies authorized by this Code to~~
16 ~~reduce any rate of reimbursement for services or other payments~~
17 ~~in accordance with Section 5-5e.~~

18 (Source: P.A. 96-1123, eff. 1-1-11; 96-1530, eff. 2-16-11;
19 97-689, eff. 6-14-12.)

20 (305 ILCS 5/5-5.8b) (from Ch. 23, par. 5-5.8b)

21 Sec. 5-5.8b. Payment to Campus Facilities. There is hereby
22 established a separate payment category for campus facilities.
23 A "campus facility" is defined as an entity which consists of a
24 long term care facility (or group of facilities if the
25 facilities are on the same contiguous parcel of real estate)

1 which meets all of the following criteria as of May 1, 1987:
2 the entity provides care for both children and adults;
3 residents of the entity reside in three or more separate
4 buildings with congregate and small group living arrangements
5 on a single campus; the entity provides three or more separate
6 licensed levels of care; the entity (or a part of the entity)
7 is enrolled with the Department of Healthcare and Family
8 Services as a provider of long term care services and receives
9 payments from that Department; the entity (or a part of the
10 entity) receives funding from the Department of Human Services;
11 and the entity (or a part of the entity) holds a current
12 license as a child care institution issued by the Department of
13 Children and Family Services.

14 The Department of Healthcare and Family Services, the
15 Department of Human Services, and the Department of Children
16 and Family Services shall develop jointly a rate methodology or
17 methodologies for campus facilities. Such methodology or
18 methodologies may establish a single rate to be paid by all the
19 agencies, or a separate rate to be paid by each agency, or
20 separate components to be paid to different parts of the campus
21 facility. All campus facilities shall receive the same rate of
22 payment for similar services. Any methodology developed
23 pursuant to this section shall take into account the actual
24 costs to the facility of providing services to residents, and
25 shall be adequate to reimburse the allowable costs of a campus
26 facility which is economically and efficiently operated. Any

1 methodology shall be established on the basis of historical,
2 financial, and statistical data submitted by campus
3 facilities, and shall take into account the actual costs
4 incurred by campus facilities in providing services, and in
5 meeting licensing and certification standards imposed and
6 prescribed by the State of Illinois, any of its political
7 subdivisions or municipalities and by the United States
8 Department of Health and Human Services. Rates may be
9 established on a prospective or retrospective basis. Any
10 methodology shall provide reimbursement for appropriate
11 payment elements, including the following: standard services,
12 patient services, real estate taxes, and capital costs.

13 ~~On and after July 1, 2012, the Department shall reduce any~~
14 ~~rate of reimbursement for services or other payments or alter~~
15 ~~any methodologies authorized by this Code to reduce any rate of~~
16 ~~reimbursement for services or other payments in accordance with~~
17 ~~Section 5-5e.~~

18 (Source: P.A. 96-1530, eff. 2-16-11; 97-689, eff. 6-14-12.)

19 (305 ILCS 5/5-5.12) (from Ch. 23, par. 5-5.12)

20 Sec. 5-5.12. Pharmacy payments.

21 (a) Every request submitted by a pharmacy for reimbursement
22 under this Article for prescription drugs provided to a
23 recipient of aid under this Article shall include the name of
24 the prescriber or an acceptable identification number as
25 established by the Department.

1 (b) Pharmacies providing prescription drugs under this
2 Article shall be reimbursed at a rate which shall include a
3 professional dispensing fee as determined by the Illinois
4 Department, plus the current acquisition cost of the
5 prescription drug dispensed. The Illinois Department shall
6 update its information on the acquisition costs of all
7 prescription drugs no less frequently than every 30 days.
8 However, the Illinois Department may set the rate of
9 reimbursement for the acquisition cost, by rule, at a
10 percentage of the current average wholesale acquisition cost.

11 (c) (Blank).

12 (d) The Department shall not impose requirements for prior
13 approval based on a preferred drug list for anti-retroviral,
14 anti-hemophilic factor concentrates, or any atypical
15 antipsychotics, conventional antipsychotics, or
16 anticonvulsants used for the treatment of serious mental
17 illnesses until 30 days after it has conducted a study of the
18 impact of such requirements on patient care and submitted a
19 report to the Speaker of the House of Representatives and the
20 President of the Senate. The Department shall review
21 utilization of narcotic medications in the medical assistance
22 program and impose utilization controls that protect against
23 abuse.

24 (e) When making determinations as to which drugs shall be
25 on a prior approval list, the Department shall include as part
26 of the analysis for this determination, the degree to which a

1 drug may affect individuals in different ways based on factors
2 including the gender of the person taking the medication.

3 (f) The Department shall cooperate with the Department of
4 Public Health and the Department of Human Services Division of
5 Mental Health in identifying psychotropic medications that,
6 when given in a particular form, manner, duration, or frequency
7 (including "as needed") in a dosage, or in conjunction with
8 other psychotropic medications to a nursing home resident or to
9 a resident of a facility licensed under the ID/DD Community
10 Care Act, may constitute a chemical restraint or an
11 "unnecessary drug" as defined by the Nursing Home Care Act or
12 Titles XVIII and XIX of the Social Security Act and the
13 implementing rules and regulations. The Department shall
14 require prior approval for any such medication prescribed for a
15 nursing home resident or to a resident of a facility licensed
16 under the ID/DD Community Care Act, that appears to be a
17 chemical restraint or an unnecessary drug. The Department shall
18 consult with the Department of Human Services Division of
19 Mental Health in developing a protocol and criteria for
20 deciding whether to grant such prior approval.

21 (g) The Department may by rule provide for reimbursement of
22 the dispensing of a 90-day supply of a generic or brand name,
23 non-narcotic maintenance medication in circumstances where it
24 is cost effective.

25 (g-5) (Blank). ~~On and after July 1, 2012, the Department~~
26 ~~may require the dispensing of drugs to nursing home residents~~

1 ~~be in a 7-day supply or other amount less than a 31-day supply.~~
2 ~~The Department shall pay only one dispensing fee per 31-day~~
3 ~~supply.~~

4 (h) Effective July 1, 2011, the Department shall
5 discontinue coverage of select over-the-counter drugs,
6 including analgesics and cough and cold and allergy
7 medications.

8 (h-5) (Blank). ~~On and after July 1, 2012, the Department~~
9 ~~shall impose utilization controls, including, but not limited~~
10 ~~to, prior approval on specialty drugs, oncolytic drugs, drugs~~
11 ~~for the treatment of HIV or AIDS, immunosuppressant drugs, and~~
12 ~~biological products in order to maximize savings on these~~
13 ~~drugs. The Department may adjust payment methodologies for~~
14 ~~non-pharmacy billed drugs in order to incentivize the selection~~
15 ~~of lower cost drugs. For drugs for the treatment of AIDS, the~~
16 ~~Department shall take into consideration the potential for~~
17 ~~non-adherence by certain populations, and shall develop~~
18 ~~protocols with organizations or providers primarily serving~~
19 ~~those with HIV/AIDS, as long as such measures intend to~~
20 ~~maintain cost neutrality with other utilization management~~
21 ~~controls such as prior approval. For hemophilia, the Department~~
22 ~~shall develop a program of utilization review and control which~~
23 ~~may include, in the discretion of the Department, prior~~
24 ~~approvals. The Department may impose special standards on~~
25 ~~providers that dispense blood factors which shall include, in~~
26 ~~the discretion of the Department, staff training and education;~~

1 ~~patient outreach and education; case management; in-home~~
2 ~~patient assessments; assay management; maintenance of stock;~~
3 ~~emergency dispensing timeframes; data collection and~~
4 ~~reporting; dispensing of supplies related to blood factor~~
5 ~~infusions; cold chain management and packaging practices; care~~
6 ~~coordination; product recalls; and emergency clinical~~
7 ~~consultation. The Department may require patients to receive a~~
8 ~~comprehensive examination annually at an appropriate provider~~
9 ~~in order to be eligible to continue to receive blood factor.~~

10 ~~(i) On and after July 1, 2012, the Department shall reduce~~
11 ~~any rate of reimbursement for services or other payments or~~
12 ~~alter any methodologies authorized by this Code to reduce any~~
13 ~~rate of reimbursement for services or other payments in~~
14 ~~accordance with Section 5-5c.~~

15 ~~(i) The Department shall seek any necessary waiver from the~~
16 ~~federal government in order to establish a program limiting the~~
17 ~~pharmacies eligible to dispense specialty drugs and shall issue~~
18 ~~a Request for Proposals in order to maximize savings on these~~
19 ~~drugs. The Department shall by rule establish the drugs~~
20 ~~required to be dispensed in this program. (Blank).~~

21 ~~(j) (Blank). On and after July 1, 2012, the Department~~
22 ~~shall impose limitations on prescription drugs such that the~~
23 ~~Department shall not provide reimbursement for more than 4~~
24 ~~prescriptions, including 3 brand name prescriptions, for~~
25 ~~distinct drugs in a 30-day period, unless prior approval is~~
26 ~~received for all prescriptions in excess of the 4 prescription~~

1 ~~limit. Drugs in the following therapeutic classes shall not be~~
2 ~~subject to prior approval as a result of the 4 prescription~~
3 ~~limit: immunosuppressant drugs, oncolytic drugs, and~~
4 ~~anti-retroviral drugs.~~

5 (k) (Blank). ~~No medication therapy management program~~
6 ~~implemented by the Department shall be contrary to the~~
7 ~~provisions of the Pharmacy Practice Act.~~

8 (l) (Blank). ~~Any provider enrolled with the Department that~~
9 ~~bills the Department for outpatient drugs and is eligible to~~
10 ~~enroll in the federal Drug Pricing Program under Section 340B~~
11 ~~of the federal Public Health Services Act shall enroll in that~~
12 ~~program. No entity participating in the federal Drug Pricing~~
13 ~~Program under Section 340B of the federal Public Health~~
14 ~~Services Act may exclude Medicaid from their participation in~~
15 ~~that program, although the Department may exclude entities~~
16 ~~defined in Section 1905(1)(2)(B) of the Social Security Act~~
17 ~~from this requirement.~~

18 (Source: P.A. 96-1269, eff. 7-26-10; 96-1372, eff. 7-29-10;
19 96-1501, eff. 1-25-11; 97-38, eff. 6-28-11; 97-74, eff.
20 6-30-11; 97-333, eff. 8-12-11; 97-426, eff. 1-1-12; 97-689,
21 eff. 6-14-12; 97-813, eff. 7-13-12; revised 8-3-12.)

22 (305 ILCS 5/5-5.17) (from Ch. 23, par. 5-5.17)

23 Sec. 5-5.17. Separate reimbursement rate. The Illinois
24 Department may by rule establish a separate reimbursement rate
25 to be paid to long term care facilities for adult developmental

1 training services as defined in Section 15.2 of the Mental
2 Health and Developmental Disabilities Administrative Act which
3 are provided to intellectually disabled residents of such
4 facilities who receive aid under this Article. Any such
5 reimbursement shall be based upon cost reports submitted by the
6 providers of such services and shall be paid by the long term
7 care facility to the provider within such time as the Illinois
8 Department shall prescribe by rule, but in no case less than 3
9 business days after receipt of the reimbursement by such
10 facility from the Illinois Department. The Illinois Department
11 may impose a penalty upon a facility which does not make
12 payment to the provider of adult developmental training
13 services within the time so prescribed, up to the amount of
14 payment not made to the provider.

15 ~~On and after July 1, 2012, the Department shall reduce any~~
16 ~~rate of reimbursement for services or other payments or alter~~
17 ~~any methodologies authorized by this Code to reduce any rate of~~
18 ~~reimbursement for services or other payments in accordance with~~
19 ~~Section 5-5c.~~

20 (Source: P.A. 97-227, eff. 1-1-12; 97-689, eff. 6-14-12.)

21 (305 ILCS 5/5-5.20)

22 Sec. 5-5.20. Clinic payments. For services provided by
23 federally qualified health centers as defined in Section 1905
24 (1)(2)(B) of the federal Social Security Act, on or after April
25 1, 1989, and as long as required by federal law, the Illinois

1 Department shall reimburse those health centers for those
2 services according to a prospective cost-reimbursement
3 methodology.

4 ~~On and after July 1, 2012, the Department shall reduce any~~
5 ~~rate of reimbursement for services or other payments or alter~~
6 ~~any methodologies authorized by this Code to reduce any rate of~~
7 ~~reimbursement for services or other payments in accordance with~~
8 ~~Section 5-5e.~~

9 (Source: P.A. 97-689, eff. 6-14-12.)

10 (305 ILCS 5/5-5.23)

11 Sec. 5-5.23. Children's mental health services.

12 (a) The Department of Healthcare and Family Services, by
13 rule, shall require the screening and assessment of a child
14 prior to any Medicaid-funded admission to an inpatient hospital
15 for psychiatric services to be funded by Medicaid. The
16 screening and assessment shall include a determination of the
17 appropriateness and availability of out-patient support
18 services for necessary treatment. The Department, by rule,
19 shall establish methods and standards of payment for the
20 screening, assessment, and necessary alternative support
21 services.

22 (b) The Department of Healthcare and Family Services, to
23 the extent allowable under federal law, shall secure federal
24 financial participation for Individual Care Grant expenditures
25 made by the Department of Human Services for the Medicaid

1 optional service authorized under Section 1905(h) of the
2 federal Social Security Act, pursuant to the provisions of
3 Section 7.1 of the Mental Health and Developmental Disabilities
4 Administrative Act.

5 (c) The Department of Healthcare and Family Services shall
6 work jointly with the Department of Human Services to implement
7 subsections (a) and (b).

8 (d) (Blank). ~~On and after July 1, 2012, the Department~~
9 ~~shall reduce any rate of reimbursement for services or other~~
10 ~~payments or alter any methodologies authorized by this Code to~~
11 ~~reduce any rate of reimbursement for services or other payments~~
12 ~~in accordance with Section 5-5c.~~

13 (Source: P.A. 97-689, eff. 6-14-12.)

14 (305 ILCS 5/5-5.24)

15 Sec. 5-5.24. Prenatal and perinatal care. The Department of
16 Healthcare and Family Services may provide reimbursement under
17 this Article for all prenatal and perinatal health care
18 services that are provided for the purpose of preventing
19 low-birthweight infants, reducing the need for neonatal
20 intensive care hospital services, and promoting perinatal
21 health. These services may include comprehensive risk
22 assessments for pregnant women, women with infants, and
23 infants, lactation counseling, nutrition counseling,
24 childbirth support, psychosocial counseling, treatment and
25 prevention of periodontal disease, and other support services

1 that have been proven to improve birth outcomes. The Department
2 shall maximize the use of preventive prenatal and perinatal
3 health care services consistent with federal statutes, rules,
4 and regulations. The Department of Public Aid (now Department
5 of Healthcare and Family Services) shall develop a plan for
6 prenatal and perinatal preventive health care and shall present
7 the plan to the General Assembly by January 1, 2004. On or
8 before January 1, 2006 and every 2 years thereafter, the
9 Department shall report to the General Assembly concerning the
10 effectiveness of prenatal and perinatal health care services
11 reimbursed under this Section in preventing low-birthweight
12 infants and reducing the need for neonatal intensive care
13 hospital services. Each such report shall include an evaluation
14 of how the ratio of expenditures for treating low-birthweight
15 infants compared with the investment in promoting healthy
16 births and infants in local community areas throughout Illinois
17 relates to healthy infant development in those areas.

18 ~~On and after July 1, 2012, the Department shall reduce any~~
19 ~~rate of reimbursement for services or other payments or alter~~
20 ~~any methodologies authorized by this Code to reduce any rate of~~
21 ~~reimbursement for services or other payments in accordance with~~
22 ~~Section 5-5c.~~

23 (Source: P.A. 97-689, eff. 6-14-12.)

24 (305 ILCS 5/5-5.25)

25 Sec. 5-5.25. Access to psychiatric mental health services.

1 The General Assembly finds that providing access to psychiatric
2 mental health services in a timely manner will improve the
3 quality of life for persons suffering from mental illness and
4 will contain health care costs by avoiding the need for more
5 costly inpatient hospitalization. The Department of Healthcare
6 and Family Services shall reimburse psychiatrists and
7 federally qualified health centers as defined in Section
8 1905(1)(2)(B) of the federal Social Security Act for mental
9 health services provided by psychiatrists, as authorized by
10 Illinois law, to recipients via telepsychiatry. The
11 Department, by rule, shall establish (i) criteria for such
12 services to be reimbursed, including appropriate facilities
13 and equipment to be used at both sites and requirements for a
14 physician or other licensed health care professional to be
15 present at the site where the patient is located, and (ii) a
16 method to reimburse providers for mental health services
17 provided by telepsychiatry.

18 ~~On and after July 1, 2012, the Department shall reduce any~~
19 ~~rate of reimbursement for services or other payments or alter~~
20 ~~any methodologies authorized by this Code to reduce any rate of~~
21 ~~reimbursement for services or other payments in accordance with~~
22 ~~Section 5-5c.~~

23 (Source: P.A. 97-689, eff. 6-14-12.)

24 (305 ILCS 5/5-16.7)

25 Sec. 5-16.7. Post-parturition care. The medical assistance

1 program shall provide the post-parturition care benefits
2 required to be covered by a policy of accident and health
3 insurance under Section 356s of the Illinois Insurance Code.

4 ~~On and after July 1, 2012, the Department shall reduce any~~
5 ~~rate of reimbursement for services or other payments or alter~~
6 ~~any methodologies authorized by this Code to reduce any rate of~~
7 ~~reimbursement for services or other payments in accordance with~~
8 ~~Section 5-5e.~~

9 (Source: P.A. 97-689, eff. 6-14-12.)

10 (305 ILCS 5/5-16.7a)

11 Sec. 5-16.7a. Reimbursement for epidural anesthesia
12 services. In addition to other procedures authorized by the
13 Department under this Code, the Department shall provide
14 reimbursement to medical providers for epidural anesthesia
15 services when ordered by the attending practitioner at the time
16 of delivery.

17 ~~On and after July 1, 2012, the Department shall reduce any~~
18 ~~rate of reimbursement for services or other payments or alter~~
19 ~~any methodologies authorized by this Code to reduce any rate of~~
20 ~~reimbursement for services or other payments in accordance with~~
21 ~~Section 5-5e.~~

22 (Source: P.A. 97-689, eff. 6-14-12.)

23 (305 ILCS 5/5-16.8)

24 Sec. 5-16.8. Required health benefits. The medical

1 assistance program shall (i) provide the post-mastectomy care
2 benefits required to be covered by a policy of accident and
3 health insurance under Section 356t and the coverage required
4 under Sections 356g.5, 356u, 356w, 356x, and 356z.6 of the
5 Illinois Insurance Code and (ii) be subject to the provisions
6 of Sections 356z.19 and 364.01 of the Illinois Insurance Code.

7 ~~On and after July 1, 2012, the Department shall reduce any~~
8 ~~rate of reimbursement for services or other payments or alter~~
9 ~~any methodologies authorized by this Code to reduce any rate of~~
10 ~~reimbursement for services or other payments in accordance with~~
11 ~~Section 5-5e.~~

12 (Source: P.A. 97-282, eff. 8-9-11; 97-689, eff. 6-14-12.)

13 (305 ILCS 5/5-16.9)

14 Sec. 5-16.9. Woman's health care provider. The medical
15 assistance program is subject to the provisions of Section 356r
16 of the Illinois Insurance Code. The Illinois Department shall
17 adopt rules to implement the requirements of Section 356r of
18 the Illinois Insurance Code in the medical assistance program
19 including managed care components.

20 ~~On and after July 1, 2012, the Department shall reduce any~~
21 ~~rate of reimbursement for services or other payments or alter~~
22 ~~any methodologies authorized by this Code to reduce any rate of~~
23 ~~reimbursement for services or other payments in accordance with~~
24 ~~Section 5-5e.~~

25 (Source: P.A. 97-689, eff. 6-14-12.)

1 (305 ILCS 5/5-17) (from Ch. 23, par. 5-17)

2 Sec. 5-17. Programs to improve access to hospital care.

3 (a) (1) The General Assembly finds:

4 (A) That while hospitals have traditionally
5 provided charitable care to indigent patients, this
6 burden is not equally borne by all hospitals operating
7 in this State. Some hospitals continue to provide
8 significant amounts of care to low-income persons
9 while others provide very little such care; and

10 (B) That access to hospital care in this State by
11 the indigent citizens of Illinois would be seriously
12 impaired by the closing of hospitals that provide
13 significant amounts of care to low-income persons.

14 (2) To help expand the availability of hospital care
15 for all citizens of this State, it is the policy of the
16 State to implement programs that more equitably distribute
17 the burden of providing hospital care to Illinois'
18 low-income population and that improve access to health
19 care in Illinois.

20 (3) The Illinois Department may develop and implement a
21 program that lessens the burden of providing hospital care
22 to Illinois' low-income population, taking into account
23 the costs that must be incurred by hospitals providing
24 significant amounts of care to low-income persons, and may
25 develop adjustments to increase rates to improve access to

1 health care in Illinois. The Illinois Department shall
2 prescribe by rule the criteria, standards and procedures
3 for effecting such adjustments in the rates of hospital
4 payments for services provided to eligible low-income
5 persons (under Articles V, VI and VII of this Code) under
6 this Article.

7 (b) The Illinois Department shall require hospitals
8 certified to participate in the federal Medicaid program to:

9 (1) provide equal access to available services to
10 low-income persons who are eligible for assistance under
11 Articles V, VI and VII of this Code;

12 (2) provide data and reports on the provision of
13 uncompensated care.

14 (c) From the effective date of this amendatory Act of 1992
15 until July 1, 1992, nothing in this Section 5-17 shall be
16 construed as creating a private right of action on behalf of
17 any individual.

18 (d) (Blank). ~~On and after July 1, 2012, the Department~~
19 ~~shall reduce any rate of reimbursement for services or other~~
20 ~~payments or alter any methodologies authorized by this Code to~~
21 ~~reduce any rate of reimbursement for services or other payments~~
22 ~~in accordance with Section 5-5e.~~

23 (Source: P.A. 97-689, eff. 6-14-12.)

24 (305 ILCS 5/5-19) (from Ch. 23, par. 5-19)

25 Sec. 5-19. Healthy Kids Program.

1 (a) Any child under the age of 21 eligible to receive
2 Medical Assistance from the Illinois Department under Article V
3 of this Code shall be eligible for Early and Periodic
4 Screening, Diagnosis and Treatment services provided by the
5 Healthy Kids Program of the Illinois Department under the
6 Social Security Act, 42 U.S.C. 1396d(r).

7 (b) Enrollment of Children in Medicaid. The Illinois
8 Department shall provide for receipt and initial processing of
9 applications for Medical Assistance for all pregnant women and
10 children under the age of 21 at locations in addition to those
11 used for processing applications for cash assistance,
12 including disproportionate share hospitals, federally
13 qualified health centers and other sites as selected by the
14 Illinois Department.

15 (c) Healthy Kids Examinations. The Illinois Department
16 shall consider any examination of a child eligible for the
17 Healthy Kids services provided by a medical provider meeting
18 the requirements and complying with the rules and regulations
19 of the Illinois Department to be reimbursed as a Healthy Kids
20 examination.

21 (d) Medical Screening Examinations.

22 (1) The Illinois Department shall insure Medicaid
23 coverage for periodic health, vision, hearing, and dental
24 screenings for children eligible for Healthy Kids services
25 scheduled from a child's birth up until the child turns 21
26 years. The Illinois Department shall pay for vision,

1 hearing, dental and health screening examinations for any
2 child eligible for Healthy Kids services by qualified
3 providers at intervals established by Department rules.

4 (2) The Illinois Department shall pay for an
5 interperiodic health, vision, hearing, or dental screening
6 examination for any child eligible for Healthy Kids
7 services whenever an examination is:

8 (A) requested by a child's parent, guardian, or
9 custodian, or is determined to be necessary or
10 appropriate by social services, developmental, health,
11 or educational personnel; or

12 (B) necessary for enrollment in school; or

13 (C) necessary for enrollment in a licensed day care
14 program, including Head Start; or

15 (D) necessary for placement in a licensed child
16 welfare facility, including a foster home, group home
17 or child care institution; or

18 (E) necessary for attendance at a camping program;
19 or

20 (F) necessary for participation in an organized
21 athletic program; or

22 (G) necessary for enrollment in an early childhood
23 education program recognized by the Illinois State
24 Board of Education; or

25 (H) necessary for participation in a Women,
26 Infant, and Children (WIC) program; or

1 (I) deemed appropriate by the Illinois Department.

2 (e) Minimum Screening Protocols For Periodic Health
3 Screening Examinations. Health Screening Examinations must
4 include the following services:

5 (1) Comprehensive Health and Development Assessment
6 including:

7 (A) Development/Mental Health/Psychosocial
8 Assessment; and

9 (B) Assessment of nutritional status including
10 tests for iron deficiency and anemia for children at
11 the following ages: 9 months, 2 years, 8 years, and 18
12 years;

13 (2) Comprehensive unclothed physical exam;

14 (3) Appropriate immunizations at a minimum, as
15 required by the Secretary of the U.S. Department of Health
16 and Human Services under 42 U.S.C. 1396d(r).

17 (4) Appropriate laboratory tests including blood lead
18 levels appropriate for age and risk factors.

19 (A) Anemia test.

20 (B) Sickle cell test.

21 (C) Tuberculin test at 12 months of age and every
22 1-2 years thereafter unless the treating health care
23 professional determines that testing is medically
24 contraindicated.

25 (D) Other -- The Illinois Department shall insure
26 that testing for HIV, drug exposure, and sexually

1 transmitted diseases is provided for as clinically
2 indicated.

3 (5) Health Education. The Illinois Department shall
4 require providers to provide anticipatory guidance as
5 recommended by the American Academy of Pediatrics.

6 (6) Vision Screening. The Illinois Department shall
7 require providers to provide vision screenings consistent
8 with those set forth in the Department of Public Health's
9 Administrative Rules.

10 (7) Hearing Screening. The Illinois Department shall
11 require providers to provide hearing screenings consistent
12 with those set forth in the Department of Public Health's
13 Administrative Rules.

14 (8) Dental Screening. The Illinois Department shall
15 require providers to provide dental screenings consistent
16 with those set forth in the Department of Public Health's
17 Administrative Rules.

18 (f) Covered Medical Services. The Illinois Department
19 shall provide coverage for all necessary health care,
20 diagnostic services, treatment and other measures to correct or
21 ameliorate defects, physical and mental illnesses, and
22 conditions whether discovered by the screening services or not
23 for all children eligible for Medical Assistance under Article
24 V of this Code.

25 (g) Notice of Healthy Kids Services.

26 (1) The Illinois Department shall inform any child

1 eligible for Healthy Kids services and the child's family
2 about the benefits provided under the Healthy Kids Program,
3 including, but not limited to, the following: what services
4 are available under Healthy Kids, including discussion of
5 the periodicity schedules and immunization schedules, that
6 services are provided at no cost to eligible children, the
7 benefits of preventive health care, where the services are
8 available, how to obtain them, and that necessary
9 transportation and scheduling assistance is available.

10 (2) The Illinois Department shall widely disseminate
11 information regarding the availability of the Healthy Kids
12 Program throughout the State by outreach activities which
13 shall include, but not be limited to, (i) the development
14 of cooperation agreements with local school districts,
15 public health agencies, clinics, hospitals and other
16 health care providers, including developmental disability
17 and mental health providers, and with charities, to notify
18 the constituents of each of the Program and assist
19 individuals, as feasible, with applying for the Program,
20 (ii) using the media for public service announcements and
21 advertisements of the Program, and (iii) developing
22 posters advertising the Program for display in hospital and
23 clinic waiting rooms.

24 (3) The Illinois Department shall utilize accepted
25 methods for informing persons who are illiterate, blind,
26 deaf, or cannot understand the English language, including

1 but not limited to public services announcements and
2 advertisements in the foreign language media of radio,
3 television and newspapers.

4 (4) The Illinois Department shall provide notice of the
5 Healthy Kids Program to every child eligible for Healthy
6 Kids services and his or her family at the following times:

7 (A) orally by the intake worker and in writing at
8 the time of application for Medical Assistance;

9 (B) at the time the applicant is informed that he
10 or she is eligible for Medical Assistance benefits; and

11 (C) at least 20 days before the date of any
12 periodic health, vision, hearing, and dental
13 examination for any child eligible for Healthy Kids
14 services. Notice given under this subparagraph (C)
15 must state that a screening examination is due under
16 the periodicity schedules and must advise the eligible
17 child and his or her family that the Illinois
18 Department will provide assistance in scheduling an
19 appointment and arranging medical transportation.

20 (h) Data Collection. The Illinois Department shall collect
21 data in a usable form to track utilization of Healthy Kids
22 screening examinations by children eligible for Healthy Kids
23 services, including but not limited to data showing screening
24 examinations and immunizations received, a summary of
25 follow-up treatment received by children eligible for Healthy
26 Kids services and the number of children receiving dental,

1 hearing and vision services.

2 (i) (Blank). ~~On and after July 1, 2012, the Department~~
3 ~~shall reduce any rate of reimbursement for services or other~~
4 ~~payments or alter any methodologies authorized by this Code to~~
5 ~~reduce any rate of reimbursement for services or other payments~~
6 ~~in accordance with Section 5-5e.~~

7 (Source: P.A. 97-689, eff. 6-14-12.)

8 (305 ILCS 5/5-24)

9 (Section scheduled to be repealed on January 1, 2014)

10 Sec. 5-24. Disease management programs and services for
11 chronic conditions; pilot project.

12 (a) In this Section, "disease management programs and
13 services" means services administered to patients in order to
14 improve their overall health and to prevent clinical
15 exacerbations and complications, using cost-effective,
16 evidence-based practice guidelines and patient self-management
17 strategies. Disease management programs and services include
18 all of the following:

19 (1) A population identification process.

20 (2) Evidence-based or consensus-based clinical
21 practice guidelines, risk identification, and matching of
22 interventions with clinical need.

23 (3) Patient self-management and disease education.

24 (4) Process and outcomes measurement, evaluation,
25 management, and reporting.

1 (b) Subject to appropriations, the Department of
2 Healthcare and Family Services may undertake a pilot project to
3 study patient outcomes, for patients with chronic diseases or
4 patients at risk of low birth weight or premature birth,
5 associated with the use of disease management programs and
6 services for chronic condition management. "Chronic diseases"
7 include, but are not limited to, diabetes, congestive heart
8 failure, and chronic obstructive pulmonary disease. Low birth
9 weight and premature birth include all medical and other
10 conditions that lead to poor birth outcomes or problematic
11 pregnancies.

12 (c) The disease management programs and services pilot
13 project shall examine whether chronic disease management
14 programs and services for patients with specific chronic
15 conditions do any or all of the following:

16 (1) Improve the patient's overall health in a more
17 expeditious manner.

18 (2) Lower costs in other aspects of the medical
19 assistance program, such as hospital admissions, days in
20 skilled nursing homes, emergency room visits, or more
21 frequent physician office visits.

22 (d) In carrying out the pilot project, the Department of
23 Healthcare and Family Services shall examine all relevant
24 scientific literature and shall consult with health care
25 practitioners including, but not limited to, physicians,
26 surgeons, registered pharmacists, and registered nurses.

1 (e) The Department of Healthcare and Family Services shall
2 consult with medical experts, disease advocacy groups, and
3 academic institutions to develop criteria to be used in
4 selecting a vendor for the pilot project.

5 (f) The Department of Healthcare and Family Services may
6 adopt rules to implement this Section.

7 (g) This Section is repealed 10 years after the effective
8 date of this amendatory Act of the 93rd General Assembly.

9 (h) (Blank). ~~On and after July 1, 2012, the Department~~
10 ~~shall reduce any rate of reimbursement for services or other~~
11 ~~payments or alter any methodologies authorized by this Code to~~
12 ~~reduce any rate of reimbursement for services or other payments~~
13 ~~in accordance with Section 5-5e.~~

14 (Source: P.A. 96-799, eff. 10-28-09; 97-689, eff. 6-14-12.)

15 (305 ILCS 5/5-30)

16 Sec. 5-30. Care coordination.

17 (a) At least 50% of recipients eligible for comprehensive
18 medical benefits in all medical assistance programs or other
19 health benefit programs administered by the Department,
20 including the Children's Health Insurance Program Act and the
21 Covering ALL KIDS Health Insurance Act, shall be enrolled in a
22 care coordination program by no later than January 1, 2015. For
23 purposes of this Section, "coordinated care" or "care
24 coordination" means delivery systems where recipients will
25 receive their care from providers who participate under

1 contract in integrated delivery systems that are responsible
2 for providing or arranging the majority of care, including
3 primary care physician services, referrals from primary care
4 physicians, diagnostic and treatment services, behavioral
5 health services, in-patient and outpatient hospital services,
6 dental services, and rehabilitation and long-term care
7 services. The Department shall designate or contract for such
8 integrated delivery systems (i) to ensure enrollees have a
9 choice of systems and of primary care providers within such
10 systems; (ii) to ensure that enrollees receive quality care in
11 a culturally and linguistically appropriate manner; and (iii)
12 to ensure that coordinated care programs meet the diverse needs
13 of enrollees with developmental, mental health, physical, and
14 age-related disabilities.

15 (b) Payment for such coordinated care shall be based on
16 arrangements where the State pays for performance related to
17 health care outcomes, the use of evidence-based practices, the
18 use of primary care delivered through comprehensive medical
19 homes, the use of electronic medical records, and the
20 appropriate exchange of health information electronically made
21 either on a capitated basis in which a fixed monthly premium
22 per recipient is paid and full financial risk is assumed for
23 the delivery of services, or through other risk-based payment
24 arrangements.

25 (c) To qualify for compliance with this Section, the 50%
26 goal shall be achieved by enrolling medical assistance

1 enrollees from each medical assistance enrollment category,
2 including parents, children, seniors, and people with
3 disabilities to the extent that current State Medicaid payment
4 laws would not limit federal matching funds for recipients in
5 care coordination programs. In addition, services must be more
6 comprehensively defined and more risk shall be assumed than in
7 the Department's primary care case management program as of the
8 effective date of this amendatory Act of the 96th General
9 Assembly.

10 (d) The Department shall report to the General Assembly in
11 a separate part of its annual medical assistance program
12 report, beginning April, 2012 until April, 2016, on the
13 progress and implementation of the care coordination program
14 initiatives established by the provisions of this amendatory
15 Act of the 96th General Assembly. The Department shall include
16 in its April 2011 report a full analysis of federal laws or
17 regulations regarding upper payment limitations to providers
18 and the necessary revisions or adjustments in rate
19 methodologies and payments to providers under this Code that
20 would be necessary to implement coordinated care with full
21 financial risk by a party other than the Department.

22 (e) (Blank). ~~Integrated Care Program for individuals with~~
23 ~~chronic mental health conditions.~~

24 ~~(1) The Integrated Care Program shall encompass~~
25 ~~services administered to recipients of medical assistance~~
26 ~~under this Article to prevent exacerbations and~~

1 ~~complications using cost-effective, evidence-based~~
2 ~~practice guidelines and mental health management~~
3 ~~strategies.~~

4 ~~(2) The Department may utilize and expand upon existing~~
5 ~~contractual arrangements with integrated care plans under~~
6 ~~the Integrated Care Program for providing the coordinated~~
7 ~~care provisions of this Section.~~

8 ~~(3) Payment for such coordinated care shall be based on~~
9 ~~arrangements where the State pays for performance related~~
10 ~~to mental health outcomes on a capitated basis in which a~~
11 ~~fixed monthly premium per recipient is paid and full~~
12 ~~financial risk is assumed for the delivery of services, or~~
13 ~~through other risk-based payment arrangements such as~~
14 ~~provider-based care coordination.~~

15 ~~(4) The Department shall examine whether chronic~~
16 ~~mental health management programs and services for~~
17 ~~recipients with specific chronic mental health conditions~~
18 ~~do any or all of the following:~~

19 ~~(A) Improve the patient's overall mental health in~~
20 ~~a more expeditious and cost-effective manner.~~

21 ~~(B) Lower costs in other aspects of the medical~~
22 ~~assistance program, such as hospital admissions,~~
23 ~~emergency room visits, or more frequent and~~
24 ~~inappropriate psychotropic drug use.~~

25 ~~(5) The Department shall work with the facilities and~~
26 ~~any integrated care plan participating in the program to~~

1 ~~identify and correct barriers to the successful~~
2 ~~implementation of this subsection (c) prior to and during~~
3 ~~the implementation to best facilitate the goals and~~
4 ~~objectives of this subsection (c).~~

5 (f) (Blank). ~~A hospital that is located in a county of the~~
6 ~~State in which the Department mandates some or all of the~~
7 ~~beneficiaries of the Medical Assistance Program residing in the~~
8 ~~county to enroll in a Care Coordination Program, as set forth~~
9 ~~in Section 5-30 of this Code, shall not be eligible for any~~
10 ~~non-claims based payments not mandated by Article V A of this~~
11 ~~Code for which it would otherwise be qualified to receive,~~
12 ~~unless the hospital is a Coordinated Care Participating~~
13 ~~Hospital no later than 60 days after the effective date of this~~
14 ~~amendatory Act of the 97th General Assembly or 60 days after~~
15 ~~the first mandatory enrollment of a beneficiary in a~~
16 ~~Coordinated Care program. For purposes of this subsection,~~
17 ~~"Coordinated Care Participating Hospital" means a hospital~~
18 ~~that meets one of the following criteria:~~

19 ~~(1) The hospital has entered into a contract to provide~~
20 ~~hospital services to enrollees of the care coordination~~
21 ~~program.~~

22 ~~(2) The hospital has not been offered a contract by a~~
23 ~~care coordination plan that pays at least as much as the~~
24 ~~Department would pay, on a fee-for-service basis, not~~
25 ~~including disproportionate share hospital adjustment~~
26 ~~payments or any other supplemental adjustment or add on~~

1 ~~payment to the base fee for service rate.~~

2 (Source: P.A. 96-1501, eff. 1-25-11; 97-689, eff. 6-14-12.)

3 (305 ILCS 5/5A-1) (from Ch. 23, par. 5A-1)

4 Sec. 5A-1. Definitions. As used in this Article, unless
5 the context requires otherwise:

6 "Adjusted gross hospital revenue" shall be determined
7 separately for inpatient and outpatient services for each
8 hospital conducted, operated or maintained by a hospital
9 provider, and means the hospital provider's total gross
10 revenues less: (i) gross revenue attributable to non-hospital
11 based services including home dialysis services, durable
12 medical equipment, ambulance services, outpatient clinics and
13 any other non-hospital based services as determined by the
14 Illinois Department by rule; and (ii) gross revenues
15 attributable to the routine services provided to persons
16 receiving skilled or intermediate long-term care services
17 within the meaning of Title XVIII or XIX of the Social Security
18 Act; and (iii) Medicare gross revenue (excluding the Medicare
19 gross revenue attributable to clauses (i) and (ii) of this
20 paragraph and the Medicare gross revenue attributable to the
21 routine services provided to patients in a psychiatric
22 hospital, a rehabilitation hospital, a distinct part
23 psychiatric unit, a distinct part rehabilitation unit, or swing
24 beds). Adjusted gross hospital revenue shall be determined
25 using the most recent data available from each hospital's 2003

1 Medicare cost report as contained in the Healthcare Cost Report
2 Information System file, for the quarter ending on December 31,
3 2004, without regard to any subsequent adjustments or changes
4 to such data. If a hospital's 2003 Medicare cost report is not
5 contained in the Healthcare Cost Report Information System, the
6 hospital provider shall furnish such cost report or the data
7 necessary to determine its adjusted gross hospital revenue as
8 required by rule by the Illinois Department.

9 "Fund" means the Hospital Provider Fund.

10 "Hospital" means an institution, place, building, or
11 agency located in this State that is subject to licensure by
12 the Illinois Department of Public Health under the Hospital
13 Licensing Act, whether public or private and whether organized
14 for profit or not-for-profit.

15 "Hospital provider" means a person licensed by the
16 Department of Public Health to conduct, operate, or maintain a
17 hospital, regardless of whether the person is a Medicaid
18 provider. For purposes of this paragraph, "person" means any
19 political subdivision of the State, municipal corporation,
20 individual, firm, partnership, corporation, company, limited
21 liability company, association, joint stock association, or
22 trust, or a receiver, executor, trustee, guardian, or other
23 representative appointed by order of any court.

24 "Medicare bed days" means, for each hospital, the sum of
25 the number of days that each bed was occupied by a patient who
26 was covered by Title XVIII of the Social Security Act,

1 excluding days attributable to the routine services provided to
2 persons receiving skilled or intermediate long term care
3 services. Medicare bed days shall be computed separately for
4 each hospital operated or maintained by a hospital provider.

5 "Occupied bed days" means the sum of the number of days
6 that each bed was occupied by a patient for all beds, excluding
7 days attributable to the routine services provided to persons
8 receiving skilled or intermediate long term care services.
9 Occupied bed days shall be computed separately for each
10 hospital operated or maintained by a hospital provider.

11 "Outpatient gross revenue" means, for each hospital, its
12 total gross charges attributed to outpatient services as
13 reported on the Medicare cost report at Worksheet C, Part I,
14 Column 7, line 101, less the sum of lines 45, 60, 63, 64, 65,
15 66, 67, and 68 (and any subsets of those lines).

16 "Proration factor" means a fraction, the numerator of which
17 is 53 and the denominator of which is 365.

18 (Source: P.A. 97-688, eff. 6-14-12; 97-689, eff. 6-14-12.)

19 (305 ILCS 5/5A-2) (from Ch. 23, par. 5A-2)

20 (Section scheduled to be repealed on January 1, 2015)

21 Sec. 5A-2. Assessment.

22 (a) (Blank).

23 Subject to Sections 5A-3 and 5A-10, for State fiscal years
24 2009 through 2014, ~~and from July 1, 2014 through December 31,~~
25 ~~2014~~, an annual assessment on inpatient services is imposed on

1 each hospital provider in an amount equal to \$218.38 multiplied
2 by the difference of the hospital's occupied bed days less the
3 hospital's Medicare bed days.

4 For State fiscal years 2009 through 2014, ~~and after~~ a
5 hospital's occupied bed days and Medicare bed days shall be
6 determined using the most recent data available from each
7 hospital's 2005 Medicare cost report as contained in the
8 Healthcare Cost Report Information System file, for the quarter
9 ending on December 31, 2006, without regard to any subsequent
10 adjustments or changes to such data. If a hospital's 2005
11 Medicare cost report is not contained in the Healthcare Cost
12 Report Information System, then the Illinois Department may
13 obtain the hospital provider's occupied bed days and Medicare
14 bed days from any source available, including, but not limited
15 to, records maintained by the hospital provider, which may be
16 inspected at all times during business hours of the day by the
17 Illinois Department or its duly authorized agents and
18 employees.

19 (b) (Blank).

20 (b-5) Subject to Sections 5A-3 and 5A-10, for State fiscal
21 years 2013 through 2014, and July 1, 2014 through December 31,
22 2014, an annual assessment on outpatient services is imposed on
23 each hospital provider in an amount equal to .008766 multiplied
24 by the hospital's outpatient gross revenue.

25 For State fiscal years 2013 through 2014, and July 1, 2014
26 through December 31, 2014, a hospital's outpatient gross

1 revenue shall be determined using the most recent data
2 available from each hospital's 2009 Medicare cost report as
3 contained in the Healthcare Cost Report Information System
4 file, for the quarter ending on June 30, 2011, without regard
5 to any subsequent adjustments or changes to such data. If a
6 hospital's 2009 Medicare cost report is not contained in the
7 Healthcare Cost Report Information System, then the Department
8 may obtain the hospital provider's outpatient gross revenue
9 from any source available, including, but not limited to,
10 records maintained by the hospital provider, which may be
11 inspected at all times during business hours of the day by the
12 Department or its duly authorized agents and employees.

13 (c) (Blank).

14 (d) Notwithstanding any of the other provisions of this
15 Section, the Department is authorized, during this 97th General
16 Assembly, to adopt rules to reduce the rate of any annual
17 assessment imposed under this Section, as authorized by Section
18 5-46.2 of the Illinois Administrative Procedure Act.

19 (e) Notwithstanding any other provision of this Section,
20 any plan providing for an assessment on a hospital provider as
21 a permissible tax under Title XIX of the federal Social
22 Security Act and Medicaid-eligible payments to hospital
23 providers from the revenues derived from that assessment shall
24 be reviewed by the Illinois Department of Healthcare and Family
25 Services, as the Single State Medicaid Agency required by
26 federal law, to determine whether those assessments and

1 hospital provider payments meet federal Medicaid standards. If
2 the Department determines that the elements of the plan may
3 meet federal Medicaid standards and a related State Medicaid
4 Plan Amendment is prepared in a manner and form suitable for
5 submission, that State Plan Amendment shall be submitted in a
6 timely manner for review by the Centers for Medicare and
7 Medicaid Services of the United States Department of Health and
8 Human Services and subject to approval by the Centers for
9 Medicare and Medicaid Services of the United States Department
10 of Health and Human Services. No such plan shall become
11 effective without approval by the Illinois General Assembly by
12 the enactment into law of related legislation. Notwithstanding
13 any other provision of this Section, the Department is
14 authorized to adopt rules to reduce the rate of any annual
15 assessment imposed under this Section. Any such rules may be
16 adopted by the Department under Section 5-50 of the Illinois
17 Administrative Procedure Act.

18 (Source: P.A. 96-1530, eff. 2-16-11; 97-688, eff. 6-14-12;
19 97-689, eff. 6-14-12.)

20 (305 ILCS 5/5A-3) (from Ch. 23, par. 5A-3)

21 Sec. 5A-3. Exemptions.

22 (a) (Blank).

23 (b) A hospital provider that is a State agency, a State
24 university, or a county with a population of 3,000,000 or more
25 is exempt from the assessment imposed by Section 5A-2.

1 (b-2) A hospital provider that is a county with a
2 population of less than 3,000,000 or a township, municipality,
3 hospital district, or any other local governmental unit is
4 exempt from the assessment imposed by Section 5A-2.

5 (b-5) (Blank).

6 (b-10) For State fiscal year 2014, a hospital provider,
7 described in Section 1903(w)(3)(F) of the Social Security Act,
8 whose hospital does not charge for its services is exempt from
9 the assessment imposed by Section 5A-2, unless the exemption is
10 adjudged to be unconstitutional or otherwise invalid, in which
11 case the hospital provider shall pay the assessment imposed by
12 Section 5A-2. (Blank).

13 (b-15) (Blank).

14 (b-20) (Blank).

15 (b-25) (Blank).

16 (c) (Blank).

17 (Source: P.A. 96-1530, eff. 2-16-11; 97-689, eff. 6-14-12.)

18 (305 ILCS 5/5A-4) (from Ch. 23, par. 5A-4)

19 Sec. 5A-4. Payment of assessment; penalty.

20 (a) Except as provided in subsection (a-5) of this Section,
21 the ~~The~~ assessment imposed by Section 5A-2 for State fiscal
22 year 2009 and each subsequent State fiscal year shall be due
23 and payable in monthly installments, each equaling one-twelfth
24 of the assessment for the year, on the fourteenth State
25 business day of each month. No installment payment of an

1 assessment imposed by Section 5A-2 shall be due and payable,
2 however, until after : (i) the Department notifies the hospital
3 provider, in writing, that the payment methodologies to
4 hospitals required under Section 5A-12, Section 5A-12.1, or
5 Section 5A-12.2, whichever is applicable for that fiscal year,
6 have been approved by the Centers for Medicare and Medicaid
7 Services of the U.S. Department of Health and Human Services
8 and the waiver under 42 CFR 433.68 for the assessment imposed
9 by Section 5A-2, if necessary, has been granted by the Centers
10 for Medicare and Medicaid Services of the U.S. Department of
11 Health and Human Services; and (ii) the Comptroller has issued
12 the payments required under Section 5A-12, Section 5A-12.1, or
13 Section 5A-12.2, whichever is applicable for that fiscal year.
14 Upon notification to the Department of approval of the payment
15 methodologies required under Section 5A-12, Section 5A-12.1,
16 or Section 5A-12.2, whichever is applicable for that fiscal
17 year, and the waiver granted under 42 CFR 433.68, all
18 installments otherwise due under Section 5A-2 prior to the date
19 of notification shall be due and payable to the Department upon
20 written direction from the Department and issuance by the
21 Comptroller of the payments required under Section 5A-12.1 or
22 Section 5A-12.2, whichever is applicable for that fiscal year.
23 ~~the Comptroller has issued the payments required under this~~
24 ~~Article.~~

25 Except as provided in subsection (a-5) of this Section, the
26 assessment imposed by subsection (b-5) of Section 5A-2 for

1 State fiscal year 2013 and each subsequent State fiscal year
2 shall be due and payable in monthly installments, each equaling
3 one-twelfth of the assessment for the year, on the 14th State
4 business day of each month. No installment payment of an
5 assessment imposed by subsection (b-5) of Section 5A-2 shall be
6 due and payable, however, until after: (i) the Department
7 notifies the hospital provider, in writing, that the payment
8 methodologies to hospitals required under Section 5A-12.4,
9 have been approved by the Centers for Medicare and Medicaid
10 Services of the U.S. Department of Health and Human Services,
11 and the waiver under 42 CFR 433.68 for the assessment imposed
12 by subsection (b-5) of Section 5A-2, if necessary, has been
13 granted by the Centers for Medicare and Medicaid Services of
14 the U.S. Department of Health and Human Services; and (ii) the
15 Comptroller has issued the payments required under Section
16 5A-12.4. Upon notification to the Department of approval of the
17 payment methodologies required under Section 5A-12.4 and the
18 waiver granted under 42 CFR 433.68, if necessary, all
19 installments otherwise due under subsection (b-5) of Section
20 5A-2 prior to the date of notification shall be due and payable
21 to the Department upon written direction from the Department
22 and issuance by the Comptroller of the payments required under
23 Section 5A-12.4.

24 (a-5) The Illinois Department may accelerate the schedule
25 upon which assessment installments are due and payable by
26 hospitals with a payment ratio greater than or equal to one.

1 Such acceleration of due dates for payment of the assessment
2 may be made only in conjunction with a corresponding
3 acceleration in access payments identified in Section 5A-12.2
4 or Section 5A-12.4 to the same hospitals. For the purposes of
5 this subsection (a-5), a hospital's payment ratio is defined as
6 the quotient obtained by dividing the total payments for the
7 State fiscal year, as authorized under Section 5A-12.2 or
8 Section 5A-12.4, by the total assessment for the State fiscal
9 year imposed under Section 5A-2 or subsection (b-5) of Section
10 5A-2.

11 (b) The Illinois Department is authorized to establish
12 delayed payment schedules for hospital providers that are
13 unable to make installment payments when due under this Section
14 due to financial difficulties, as determined by the Illinois
15 Department.

16 (c) If a hospital provider fails to pay the full amount of
17 an installment when due (including any extensions granted under
18 subsection (b)), there shall, unless waived by the Illinois
19 Department for reasonable cause, be added to the assessment
20 imposed by Section 5A-2 a penalty assessment equal to the
21 lesser of (i) 5% of the amount of the installment not paid on
22 or before the due date plus 5% of the portion thereof remaining
23 unpaid on the last day of each 30-day period thereafter or (ii)
24 100% of the installment amount not paid on or before the due
25 date. For purposes of this subsection, payments will be
26 credited first to unpaid installment amounts (rather than to

1 penalty or interest), beginning with the most delinquent
2 installments.

3 (d) Any assessment amount that is due and payable to the
4 Illinois Department more frequently than once per calendar
5 quarter shall be remitted to the Illinois Department by the
6 hospital provider by means of electronic funds transfer. The
7 Illinois Department may provide for remittance by other means
8 if (i) the amount due is less than \$10,000 or (ii) electronic
9 funds transfer is unavailable for this purpose.

10 (Source: P.A. 96-821, eff. 11-20-09; 97-688, eff. 6-14-12;
11 97-689, eff. 6-14-12.)

12 (305 ILCS 5/5A-5) (from Ch. 23, par. 5A-5)

13 Sec. 5A-5. Notice; penalty; maintenance of records.

14 (a) The Department of Healthcare and Family Services
15 ~~Illinois Department~~ shall send a notice of assessment to every
16 hospital provider subject to assessment under this Article. The
17 notice of assessment shall notify the hospital of its
18 assessment and shall be sent after receipt by the Department of
19 notification from the Centers for Medicare and Medicaid
20 Services of the U.S. Department of Health and Human Services
21 that the payment methodologies required under Section 5A-12,
22 Section 5A-12.1, or Section 5A-12.2, whichever is applicable
23 for that fiscal year ~~this Article~~ and, if necessary, the waiver
24 granted under 42 CFR 433.68 have been approved. The notice
25 shall be on a form prepared by the Illinois Department and

1 shall state the following:

2 (1) The name of the hospital provider.

3 (2) The address of the hospital provider's principal
4 place of business from which the provider engages in the
5 occupation of hospital provider in this State, and the name
6 and address of each hospital operated, conducted, or
7 maintained by the provider in this State.

8 (3) The occupied bed days, occupied bed days less
9 Medicare days, adjusted gross hospital revenue, or
10 outpatient gross revenue of the hospital provider
11 (whichever is applicable), the amount of assessment
12 imposed under Section 5A-2 for the State fiscal year for
13 which the notice is sent, and the amount of each
14 installment to be paid during the State fiscal year.

15 (4) (Blank).

16 (5) Other reasonable information as determined by the
17 Illinois Department.

18 (b) If a hospital provider conducts, operates, or maintains
19 more than one hospital licensed by the Illinois Department of
20 Public Health, the provider shall pay the assessment for each
21 hospital separately.

22 (c) Notwithstanding any other provision in this Article, in
23 the case of a person who ceases to conduct, operate, or
24 maintain a hospital in respect of which the person is subject
25 to assessment under this Article as a hospital provider, the
26 assessment for the State fiscal year in which the cessation

1 occurs shall be adjusted by multiplying the assessment computed
2 under Section 5A-2 by a fraction, the numerator of which is the
3 number of days in the year during which the provider conducts,
4 operates, or maintains the hospital and the denominator of
5 which is 365. Immediately upon ceasing to conduct, operate, or
6 maintain a hospital, the person shall pay the assessment for
7 the year as so adjusted (to the extent not previously paid).

8 (d) Notwithstanding any other provision in this Article, a
9 provider who commences conducting, operating, or maintaining a
10 hospital, upon notice by the Illinois Department, shall pay the
11 assessment computed under Section 5A-2 and subsection (e) in
12 installments on the due dates stated in the notice and on the
13 regular installment due dates for the State fiscal year
14 occurring after the due dates of the initial notice.

15 (e) Notwithstanding any other provision in this Article,
16 for State fiscal years 2009 through 2014 ~~2015~~, in the case of a
17 hospital provider that did not conduct, operate, or maintain a
18 hospital in 2005, the assessment for that State fiscal year
19 shall be computed on the basis of hypothetical occupied bed
20 days for the full calendar year as determined by the Illinois
21 Department. Notwithstanding any other provision in this
22 Article, for State fiscal years 2013 through 2014, and for July
23 1, 2014 through December 31, 2014, in the case of a hospital
24 provider that did not conduct, operate, or maintain a hospital
25 in 2009, the assessment under subsection (b-5) of Section 5A-2
26 for that State fiscal year shall be computed on the basis of

1 hypothetical gross outpatient revenue for the full calendar
2 year as determined by the Illinois Department.

3 (f) Every hospital provider subject to assessment under
4 this Article shall keep sufficient records to permit the
5 determination of adjusted gross hospital revenue for the
6 hospital's fiscal year. All such records shall be kept in the
7 English language and shall, at all times during regular
8 business hours of the day, be subject to inspection by the
9 Illinois Department or its duly authorized agents and
10 employees.

11 (g) The Illinois Department may, by rule, provide a
12 hospital provider a reasonable opportunity to request a
13 clarification or correction of any clerical or computational
14 errors contained in the calculation of its assessment, but such
15 corrections shall not extend to updating the cost report
16 information used to calculate the assessment.

17 (h) (Blank).

18 (Source: P.A. 96-1530, eff. 2-16-11; 97-688, eff. 6-14-12;
19 97-689, eff. 6-14-12; revised 10-17-12.)

20 (305 ILCS 5/5A-6) (from Ch. 23, par. 5A-6)

21 Sec. 5A-6. Disposition of proceeds. The Illinois
22 Department shall pay deposit all moneys received from hospital
23 providers under this Article into the Hospital Provider Fund.
24 Upon certification by the Illinois Department to the State
25 Comptroller of its intent to withhold payments from a provider

1 ~~under pursuant to~~ Section 5A-7(b), the State Comptroller shall
2 draw a warrant on the treasury or other fund held by the State
3 Treasurer, as appropriate. The warrant shall state the amount
4 for which the provider is entitled to a warrant, the amount of
5 the deduction, and the reason therefor and shall direct the
6 State Treasurer to pay the balance to the provider, all in
7 accordance with Section 10.05 of the State Comptroller Act. The
8 warrant also shall direct the State Treasurer to transfer the
9 amount of the deduction so ordered from the treasury or other
10 fund into the Hospital Provider Fund.

11 (Source: P.A. 97-689, eff. 6-14-12.)

12 (305 ILCS 5/5A-8) (from Ch. 23, par. 5A-8)

13 Sec. 5A-8. Hospital Provider Fund.

14 (a) There is created in the State Treasury the Hospital
15 Provider Fund. Interest earned by the Fund shall be credited to
16 the Fund. The Fund shall not be used to replace any moneys
17 appropriated to the Medicaid program by the General Assembly.

18 (b) The Fund is created for the purpose of receiving moneys
19 in accordance with Section 5A-6 and disbursing moneys only for
20 the following purposes, notwithstanding any other provision of
21 law:

22 (1) For making payments to hospitals as required under
23 this Code, under the Children's Health Insurance Program
24 Act, under the Covering ALL KIDS Health Insurance Act, and
25 under the Long Term Acute Care Hospital Quality Improvement

1 Transfer Program Act.

2 (2) For the reimbursement of moneys collected by the
3 Illinois Department from hospitals or hospital providers
4 through error or mistake in performing the activities
5 authorized under this Code.

6 (3) For payment of administrative expenses incurred by
7 the Illinois Department or its agent in performing
8 activities under this Code, under the Children's Health
9 Insurance Program Act, under the Covering ALL KIDS Health
10 Insurance Act, and under the Long Term Acute Care Hospital
11 Quality Improvement Transfer Program Act.

12 (4) For payments of any amounts which are reimbursable
13 to the federal government for payments from this Fund which
14 are required to be paid by State warrant.

15 (5) For making transfers, as those transfers are
16 authorized in the proceedings authorizing debt under the
17 Short Term Borrowing Act, but transfers made under this
18 paragraph (5) shall not exceed the principal amount of debt
19 issued in anticipation of the receipt by the State of
20 moneys to be deposited into the Fund.

21 (6) For making transfers to any other fund in the State
22 treasury, but transfers made under this paragraph (6) shall
23 not exceed the amount transferred previously from that
24 other fund into the Hospital Provider Fund plus any
25 interest that would have been earned by that fund on the
26 monies that had been transferred.

1 (6.5) For making transfers to the Healthcare Provider
 2 Relief Fund, except that transfers made under this
 3 paragraph (6.5) shall not exceed \$60,000,000 in the
 4 aggregate.

5 (7) (Blank). ~~For making transfers not exceeding the~~
 6 ~~following amounts, in State fiscal years 2013 and 2014 in~~
 7 ~~each State fiscal year during which an assessment is~~
 8 ~~imposed pursuant to Section 5A 2, to the following~~
 9 ~~designated funds:~~

10	Health and Human Services Medicaid Trust	
11	Fund	\$20,000,000
12	Long Term Care Provider Fund	\$30,000,000
13	General Revenue Fund	\$80,000,000.

14 ~~Transfers under this paragraph shall be made within 7 days~~
 15 ~~after the payments have been received pursuant to the~~
 16 ~~schedule of payments provided in subsection (a) of Section~~
 17 ~~5A 4.~~

18 (7.1) For making transfers not exceeding the following
 19 amounts, in State fiscal year 2015, to the following
 20 designated funds:

21	Health and Human Services Medicaid Trust	
22	Fund	\$10,000,000
23	Long-Term Care Provider Fund	\$15,000,000
24	General Revenue Fund	\$40,000,000.

25 Transfers under this paragraph shall be made within 7 days
 26 after the payments have been received pursuant to the

1 schedule of payments provided in subsection (a) of Section
2 5A-4.

3 (7.5) (Blank).

4 (7.8) (Blank).

5 (7.9) For State fiscal year 2014, for making transfers
6 of the moneys received from hospital providers under
7 Section 5A-4 and transferred into the Hospital Provider
8 Fund under Section 5A-6 to the designated funds not
9 exceeding the following amounts in that State fiscal year:

10 ~~(Blank).~~

11 Health and Human Services

12 Medicaid Trust Fund \$20,000,000

13 Long Term Care Provider Fund \$30,000,000

14 General Revenue Fund \$80,000,000.

15 Except as provided under this paragraph, transfers
16 under this paragraph shall be made within 7 business days
17 after the payments have been received pursuant to the
18 schedule of payments provided in subsection (a) of Section
19 5A-4.

20 (7.10) For State fiscal years 2013 and 2014, for making
21 transfers of the moneys resulting from the assessment under
22 subsection (b-5) of Section 5A-2 and received from hospital
23 providers under Section 5A-4 and transferred into the
24 Hospital Provider Fund under Section 5A-6 to the designated
25 funds not exceeding the following amounts in that State
26 fiscal year:

1 Health Care Provider Relief Fund \$50,000,000
2 Transfers under this paragraph shall be made within 7
3 days after the payments have been received pursuant to the
4 schedule of payments provided in subsection (a) of Section
5 5A-4.

6 (7.11) For State fiscal year 2015, for making transfers
7 of the moneys resulting from the assessment under
8 subsection (b-5) of Section 5A-2 and received from hospital
9 providers under Section 5A-4 and transferred into the
10 Hospital Provider Fund under Section 5A-6 to the designated
11 funds not exceeding the following amounts in that State
12 fiscal year:

13 Health Care Provider Relief Fund \$25,000,000
14 Transfers under this paragraph shall be made within 7
15 days after the payments have been received pursuant to the
16 schedule of payments provided in subsection (a) of Section
17 5A-4.

18 (8) For making refunds to hospital providers pursuant
19 to Section 5A-10.

20 Disbursements from the Fund, other than transfers
21 authorized under paragraphs (5) and (6) of this subsection,
22 shall be by warrants drawn by the State Comptroller upon
23 receipt of vouchers duly executed and certified by the Illinois
24 Department.

25 (c) The Fund shall consist of the following:

26 (1) All moneys collected or received by the Illinois

1 Department from the hospital provider assessment imposed
2 by this Article.

3 (2) All federal matching funds received by the Illinois
4 Department as a result of expenditures made by the Illinois
5 Department that are attributable to moneys deposited in the
6 Fund.

7 (3) Any interest or penalty levied in conjunction with
8 the administration of this Article.

9 (4) Moneys transferred from another fund in the State
10 treasury.

11 (5) All other moneys received for the Fund from any
12 other source, including interest earned thereon.

13 (d) (Blank).

14 (Source: P.A. 96-3, eff. 2-27-09; 96-45, eff. 7-15-09; 96-821,
15 eff. 11-20-09; 96-1530, eff. 2-16-11; 97-688, eff. 6-14-12;
16 97-689, eff. 6-14-12; revised 10-17-12.)

17 (305 ILCS 5/5A-10) (from Ch. 23, par. 5A-10)

18 Sec. 5A-10. Applicability.

19 (a) The assessment imposed by subsection (a) of Section
20 5A-2 shall not take effect or shall cease to be imposed ~~and the~~
21 ~~Department's obligation to make payments shall immediately~~
22 ~~ease~~, and any moneys remaining in the Fund shall be refunded
23 to hospital providers in proportion to the amounts paid by
24 them, if:

25 (1) The annual appropriation for State fiscal years

1 2013 and 2014, from the General Revenue Fund combined with
2 the Hospital Provider Fund as authorized in Section 5A-8
3 for hospital payments under the medical assistance
4 program, is less than the amount appropriated for State
5 fiscal year 2009, adjusted annually to reflect any change
6 in the number of recipients, excluding State fiscal year
7 2009 supplemental appropriations made necessary by the
8 enactment of the American Recovery and Reinvestment Act of
9 2009. The payments to hospitals required under this Article
10 are not eligible for federal matching funds under Title XIX
11 or XXI of the Social Security Act;

12 (2.1) (2) For State fiscal years 2009 through 2014,~~and~~
13 ~~July 1, 2014 through December 31, 2014,~~ the Department of
14 Healthcare and Family Services adopts any administrative
15 rule change to reduce payment rates or alters any payment
16 methodology that reduces any payment rates made to
17 operating hospitals under the approved Title XIX or Title
18 XXI State plan in effect January 1, 2008 except for:

19 (A) any changes for hospitals described in
20 subsection (b) of Section 5A-3;

21 (B) any rates for payments made under this Article
22 V-A;

23 (C) any changes proposed in State plan amendment
24 transmittal numbers 08-01, 08-02, 08-04, 08-06, and
25 08-07; or

26 (D) in relation to any admissions on or after

1 January 1, 2011, a modification in the methodology for
2 calculating outlier payments to hospitals for
3 exceptionally costly stays, for hospitals reimbursed
4 under the diagnosis-related grouping methodology in
5 effect on July 1, 2011 ~~January 1, 2011~~; provided that
6 the Department shall be limited to one such
7 modification during the 36-month period after the
8 effective date of this amendatory Act of the 96th
9 General Assembly; or

10 (E) (Blank). ~~any changes affecting hospitals~~
11 ~~authorized by this amendatory Act of the 97th General~~
12 ~~Assembly.~~

13 (3) The payments to hospitals required under Section
14 5A-12 or Section 5A-12.2 are changed or are not eligible
15 for federal matching funds under Title XIX or XXI of the
16 Social Security Act.

17 (b) The assessment imposed by Section 5A-2 shall not take
18 effect or shall cease to be imposed, ~~and the Department's~~
19 ~~obligation to make payments shall immediately cease,~~ if the
20 assessment is determined to be an impermissible tax under Title
21 XIX of the Social Security Act. Moneys in the Hospital Provider
22 Fund derived from assessments imposed prior thereto shall be
23 disbursed in accordance with Section 5A-8 to the extent federal
24 financial participation is not reduced due to the
25 impermissibility of the assessments, and any remaining moneys
26 shall be refunded to hospital providers in proportion to the

1 amounts paid by them.

2 (c) The assessments imposed by subsection (b-5) of Section
3 5A-2 shall not take effect or shall cease to be imposed, the
4 Department's obligation to make payments shall immediately
5 cease, and any moneys remaining in the Fund shall be refunded
6 to hospital providers in proportion to the amounts paid by
7 them, if the payments to hospitals required under Section
8 5A-12.4 are not eligible for federal matching funds under Title
9 XIX of the Social Security Act.

10 (d) The assessments imposed by Section 5A-2 shall not take
11 effect or shall cease to be imposed, the Department's
12 obligation to make payments shall immediately cease, and any
13 moneys remaining in the Fund shall be refunded to hospital
14 providers in proportion to the amounts paid by them, if:

15 (1) for State fiscal years 2013 through 2014, and July
16 1, 2014 through December 31, 2014, the Department reduces
17 any payment rates to hospitals as in effect on May 1, 2012,
18 or alters any payment methodology as in effect on May 1,
19 2012, that has the effect of reducing payment rates to
20 hospitals, ~~except for any changes affecting hospitals~~
21 ~~authorized in Senate Bill 2840 of the 97th General Assembly~~
22 ~~in the form in which it becomes law, and~~ except for any
23 changes authorized under Section 5A-15; or

24 (2) for State fiscal years 2013 through 2014, and July
25 1, 2014 through December 31, 2014, the Department reduces
26 any supplemental payments made to hospitals below the

1 amounts paid for services provided in State fiscal year
2 2011 as implemented by administrative rules adopted and in
3 effect on or prior to June 30, 2011, ~~except for any changes~~
4 ~~affecting hospitals authorized in Senate Bill 2840 of the~~
5 ~~97th General Assembly in the form in which it becomes law,~~
6 ~~and~~ except for any changes authorized under Section 5A-15.
7 (Source: P.A. 96-8, eff. 4-28-09; 96-1530, eff. 2-16-11; 97-72,
8 eff. 7-1-11; 97-74, eff. 6-30-11; 97-688, eff. 6-14-12; 97-689,
9 eff. 6-14-12; revised 10-17-12.)

10 (305 ILCS 5/5A-12.2)

11 (Section scheduled to be repealed on January 1, 2015)

12 Sec. 5A-12.2. Hospital access payments on or after July 1,
13 2008.

14 (a) To preserve and improve access to hospital services,
15 for hospital services rendered on or after July 1, 2008, the
16 Illinois Department shall, except for hospitals described in
17 subsection (b) of Section 5A-3, make payments to hospitals as
18 set forth in this Section. These payments shall be paid in 12
19 equal installments on or before the seventh State business day
20 of each month, except that no payment shall be due within 100
21 days after the later of the date of notification of federal
22 approval of the payment methodologies required under this
23 Section or any waiver required under 42 CFR 433.68, at which
24 time the sum of amounts required under this Section prior to
25 the date of notification is due and payable. Payments under

1 this Section are not due and payable, however, until (i) the
2 methodologies described in this Section are approved by the
3 federal government in an appropriate State Plan amendment and
4 (ii) the assessment imposed under this Article is determined to
5 be a permissible tax under Title XIX of the Social Security
6 Act.

7 (a-5) The Illinois Department may, when practicable,
8 accelerate the schedule upon which payments authorized under
9 this Section are made.

10 (b) Across-the-board inpatient adjustment.

11 (1) In addition to rates paid for inpatient hospital
12 services, the Department shall pay to each Illinois general
13 acute care hospital an amount equal to 40% of the total
14 base inpatient payments paid to the hospital for services
15 provided in State fiscal year 2005.

16 (2) In addition to rates paid for inpatient hospital
17 services, the Department shall pay to each freestanding
18 Illinois specialty care hospital as defined in 89 Ill. Adm.
19 Code 149.50(c)(1), (2), or (4) an amount equal to 60% of
20 the total base inpatient payments paid to the hospital for
21 services provided in State fiscal year 2005.

22 (3) In addition to rates paid for inpatient hospital
23 services, the Department shall pay to each freestanding
24 Illinois rehabilitation or psychiatric hospital an amount
25 equal to \$1,000 per Medicaid inpatient day multiplied by
26 the increase in the hospital's Medicaid inpatient

1 utilization ratio (determined using the positive
2 percentage change from the rate year 2005 Medicaid
3 inpatient utilization ratio to the rate year 2007 Medicaid
4 inpatient utilization ratio, as calculated by the
5 Department for the disproportionate share determination).

6 (4) In addition to rates paid for inpatient hospital
7 services, the Department shall pay to each Illinois
8 children's hospital an amount equal to 20% of the total
9 base inpatient payments paid to the hospital for services
10 provided in State fiscal year 2005 and an additional amount
11 equal to 20% of the base inpatient payments paid to the
12 hospital for psychiatric services provided in State fiscal
13 year 2005.

14 (5) In addition to rates paid for inpatient hospital
15 services, the Department shall pay to each Illinois
16 hospital eligible for a pediatric inpatient adjustment
17 payment under 89 Ill. Adm. Code 148.298, as in effect for
18 State fiscal year 2007, a supplemental pediatric inpatient
19 adjustment payment equal to:

20 (i) For freestanding children's hospitals as
21 defined in 89 Ill. Adm. Code 149.50(c)(3)(A), 2.5
22 multiplied by the hospital's pediatric inpatient
23 adjustment payment required under 89 Ill. Adm. Code
24 148.298, as in effect for State fiscal year 2008.

25 (ii) For hospitals other than freestanding
26 children's hospitals as defined in 89 Ill. Adm. Code

1 149.50(c)(3)(B), 1.0 multiplied by the hospital's
2 pediatric inpatient adjustment payment required under
3 89 Ill. Adm. Code 148.298, as in effect for State
4 fiscal year 2008.

5 (c) Outpatient adjustment.

6 (1) In addition to the rates paid for outpatient
7 hospital services, the Department shall pay each Illinois
8 hospital an amount equal to 2.2 multiplied by the
9 hospital's ambulatory procedure listing payments for
10 categories 1, 2, 3, and 4, as defined in 89 Ill. Adm. Code
11 148.140(b), for State fiscal year 2005.

12 (2) In addition to the rates paid for outpatient
13 hospital services, the Department shall pay each Illinois
14 freestanding psychiatric hospital an amount equal to 3.25
15 multiplied by the hospital's ambulatory procedure listing
16 payments for category 5b, as defined in 89 Ill. Adm. Code
17 148.140(b)(1)(E), for State fiscal year 2005.

18 (d) Medicaid high volume adjustment. In addition to rates
19 paid for inpatient hospital services, the Department shall pay
20 to each Illinois general acute care hospital that provided more
21 than 20,500 Medicaid inpatient days of care in State fiscal
22 year 2005 amounts as follows:

23 (1) For hospitals with a case mix index equal to or
24 greater than the 85th percentile of hospital case mix
25 indices, \$350 for each Medicaid inpatient day of care
26 provided during that period; and

1 (2) For hospitals with a case mix index less than the
2 85th percentile of hospital case mix indices, \$100 for each
3 Medicaid inpatient day of care provided during that period.

4 (e) Capital adjustment. In addition to rates paid for
5 inpatient hospital services, the Department shall pay an
6 additional payment to each Illinois general acute care hospital
7 that has a Medicaid inpatient utilization rate of at least 10%
8 (as calculated by the Department for the rate year 2007
9 disproportionate share determination) amounts as follows:

10 (1) For each Illinois general acute care hospital that
11 has a Medicaid inpatient utilization rate of at least 10%
12 and less than 36.94% and whose capital cost is less than
13 the 60th percentile of the capital costs of all Illinois
14 hospitals, the amount of such payment shall equal the
15 hospital's Medicaid inpatient days multiplied by the
16 difference between the capital costs at the 60th percentile
17 of the capital costs of all Illinois hospitals and the
18 hospital's capital costs.

19 (2) For each Illinois general acute care hospital that
20 has a Medicaid inpatient utilization rate of at least
21 36.94% and whose capital cost is less than the 75th
22 percentile of the capital costs of all Illinois hospitals,
23 the amount of such payment shall equal the hospital's
24 Medicaid inpatient days multiplied by the difference
25 between the capital costs at the 75th percentile of the
26 capital costs of all Illinois hospitals and the hospital's

1 capital costs.

2 (f) Obstetrical care adjustment.

3 (1) In addition to rates paid for inpatient hospital
4 services, the Department shall pay \$1,500 for each Medicaid
5 obstetrical day of care provided in State fiscal year 2005
6 by each Illinois rural hospital that had a Medicaid
7 obstetrical percentage (Medicaid obstetrical days divided
8 by Medicaid inpatient days) greater than 15% for State
9 fiscal year 2005.

10 (2) In addition to rates paid for inpatient hospital
11 services, the Department shall pay \$1,350 for each Medicaid
12 obstetrical day of care provided in State fiscal year 2005
13 by each Illinois general acute care hospital that was
14 designated a level III perinatal center as of December 31,
15 2006, and that had a case mix index equal to or greater
16 than the 45th percentile of the case mix indices for all
17 level III perinatal centers.

18 (3) In addition to rates paid for inpatient hospital
19 services, the Department shall pay \$900 for each Medicaid
20 obstetrical day of care provided in State fiscal year 2005
21 by each Illinois general acute care hospital that was
22 designated a level II or II+ perinatal center as of
23 December 31, 2006, and that had a case mix index equal to
24 or greater than the 35th percentile of the case mix indices
25 for all level II and II+ perinatal centers.

26 (g) Trauma adjustment.

1 (1) In addition to rates paid for inpatient hospital
2 services, the Department shall pay each Illinois general
3 acute care hospital designated as a trauma center as of
4 July 1, 2007, a payment equal to 3.75 multiplied by the
5 hospital's State fiscal year 2005 Medicaid capital
6 payments.

7 (2) In addition to rates paid for inpatient hospital
8 services, the Department shall pay \$400 for each Medicaid
9 acute inpatient day of care provided in State fiscal year
10 2005 by each Illinois general acute care hospital that was
11 designated a level II trauma center, as defined in 89 Ill.
12 Adm. Code 148.295(a)(3) and 148.295(a)(4), as of July 1,
13 2007.

14 (3) In addition to rates paid for inpatient hospital
15 services, the Department shall pay \$235 for each Illinois
16 Medicaid acute inpatient day of care provided in State
17 fiscal year 2005 by each level I pediatric trauma center
18 located outside of Illinois that had more than 8,000
19 Illinois Medicaid inpatient days in State fiscal year 2005.

20 (h) Supplemental tertiary care adjustment. In addition to
21 rates paid for inpatient services, the Department shall pay to
22 each Illinois hospital eligible for tertiary care adjustment
23 payments under 89 Ill. Adm. Code 148.296, as in effect for
24 State fiscal year 2007, a supplemental tertiary care adjustment
25 payment equal to the tertiary care adjustment payment required
26 under 89 Ill. Adm. Code 148.296, as in effect for State fiscal

1 year 2007.

2 (i) Crossover adjustment. In addition to rates paid for
3 inpatient services, the Department shall pay each Illinois
4 general acute care hospital that had a ratio of crossover days
5 to total inpatient days for medical assistance programs
6 administered by the Department (utilizing information from
7 2005 paid claims) greater than 50%, and a case mix index
8 greater than the 65th percentile of case mix indices for all
9 Illinois hospitals, a rate of \$1,125 for each Medicaid
10 inpatient day including crossover days.

11 (j) Magnet hospital adjustment. In addition to rates paid
12 for inpatient hospital services, the Department shall pay to
13 each Illinois general acute care hospital and each Illinois
14 freestanding children's hospital that, as of February 1, 2008,
15 was recognized as a Magnet hospital by the American Nurses
16 Credentialing Center and that had a case mix index greater than
17 the 75th percentile of case mix indices for all Illinois
18 hospitals amounts as follows:

19 (1) For hospitals located in a county whose eligibility
20 growth factor is greater than the mean, \$450 multiplied by
21 the eligibility growth factor for the county in which the
22 hospital is located for each Medicaid inpatient day of care
23 provided by the hospital during State fiscal year 2005.

24 (2) For hospitals located in a county whose eligibility
25 growth factor is less than or equal to the mean, \$225
26 multiplied by the eligibility growth factor for the county

1 in which the hospital is located for each Medicaid
2 inpatient day of care provided by the hospital during State
3 fiscal year 2005.

4 For purposes of this subsection, "eligibility growth
5 factor" means the percentage by which the number of Medicaid
6 recipients in the county increased from State fiscal year 1998
7 to State fiscal year 2005.

8 (k) For purposes of this Section, a hospital that is
9 enrolled to provide Medicaid services during State fiscal year
10 2005 shall have its utilization and associated reimbursements
11 annualized prior to the payment calculations being performed
12 under this Section.

13 (l) For purposes of this Section, the terms "Medicaid
14 days", "ambulatory procedure listing services", and
15 "ambulatory procedure listing payments" do not include any
16 days, charges, or services for which Medicare or a managed care
17 organization reimbursed on a capitated basis was liable for
18 payment, except where explicitly stated otherwise in this
19 Section.

20 (m) For purposes of this Section, in determining the
21 percentile ranking of an Illinois hospital's case mix index or
22 capital costs, hospitals described in subsection (b) of Section
23 5A-3 shall be excluded from the ranking.

24 (n) Definitions. Unless the context requires otherwise or
25 unless provided otherwise in this Section, the terms used in
26 this Section for qualifying criteria and payment calculations

1 shall have the same meanings as those terms have been given in
2 the Illinois Department's administrative rules as in effect on
3 March 1, 2008. Other terms shall be defined by the Illinois
4 Department by rule.

5 As used in this Section, unless the context requires
6 otherwise:

7 "Base inpatient payments" means, for a given hospital, the
8 sum of base payments for inpatient services made on a per diem
9 or per admission (DRG) basis, excluding those portions of per
10 admission payments that are classified as capital payments.
11 Disproportionate share hospital adjustment payments, Medicaid
12 Percentage Adjustments, Medicaid High Volume Adjustments, and
13 outlier payments, as defined by rule by the Department as of
14 January 1, 2008, are not base payments.

15 "Capital costs" means, for a given hospital, the total
16 capital costs determined using the most recent 2005 Medicare
17 cost report as contained in the Healthcare Cost Report
18 Information System file, for the quarter ending on December 31,
19 2006, divided by the total inpatient days from the same cost
20 report to calculate a capital cost per day. The resulting
21 capital cost per day is inflated to the midpoint of State
22 fiscal year 2009 utilizing the national hospital market price
23 proxies (DRI) hospital cost index. If a hospital's 2005
24 Medicare cost report is not contained in the Healthcare Cost
25 Report Information System, the Department may obtain the data
26 necessary to compute the hospital's capital costs from any

1 source available, including, but not limited to, records
2 maintained by the hospital provider, which may be inspected at
3 all times during business hours of the day by the Illinois
4 Department or its duly authorized agents and employees.

5 "Case mix index" means, for a given hospital, the sum of
6 the DRG relative weighting factors in effect on January 1,
7 2005, for all general acute care admissions for State fiscal
8 year 2005, excluding Medicare crossover admissions and
9 transplant admissions reimbursed under 89 Ill. Adm. Code
10 148.82, divided by the total number of general acute care
11 admissions for State fiscal year 2005, excluding Medicare
12 crossover admissions and transplant admissions reimbursed
13 under 89 Ill. Adm. Code 148.82.

14 "Medicaid inpatient day" means, for a given hospital, the
15 sum of days of inpatient hospital days provided to recipients
16 of medical assistance under Title XIX of the federal Social
17 Security Act, excluding days for individuals eligible for
18 Medicare under Title XVIII of that Act (Medicaid/Medicare
19 crossover days), as tabulated from the Department's paid claims
20 data for admissions occurring during State fiscal year 2005
21 that was adjudicated by the Department through March 23, 2007.

22 "Medicaid obstetrical day" means, for a given hospital, the
23 sum of days of inpatient hospital days grouped by the
24 Department to DRGs of 370 through 375 provided to recipients of
25 medical assistance under Title XIX of the federal Social
26 Security Act, excluding days for individuals eligible for

1 Medicare under Title XVIII of that Act (Medicaid/Medicare
2 crossover days), as tabulated from the Department's paid claims
3 data for admissions occurring during State fiscal year 2005
4 that was adjudicated by the Department through March 23, 2007.

5 "Outpatient ambulatory procedure listing payments" means,
6 for a given hospital, the sum of payments for ambulatory
7 procedure listing services, as described in 89 Ill. Adm. Code
8 148.140(b), provided to recipients of medical assistance under
9 Title XIX of the federal Social Security Act, excluding
10 payments for individuals eligible for Medicare under Title
11 XVIII of the Act (Medicaid/Medicare crossover days), as
12 tabulated from the Department's paid claims data for services
13 occurring in State fiscal year 2005 that were adjudicated by
14 the Department through March 23, 2007.

15 (o) The Department may adjust payments made under this
16 Section 5A-12.2 to comply with federal law or regulations
17 regarding hospital-specific payment limitations on
18 government-owned or government-operated hospitals.

19 (p) Notwithstanding any of the other provisions of this
20 Section, the Department is authorized to adopt rules that
21 change the hospital access improvement payments specified in
22 this Section, but only to the extent necessary to conform to
23 any federally approved amendment to the Title XIX State plan.
24 Any such rules shall be adopted by the Department as authorized
25 by Section 5-50 of the Illinois Administrative Procedure Act.
26 Notwithstanding any other provision of law, any changes

1 implemented as a result of this subsection (p) shall be given
2 retroactive effect so that they shall be deemed to have taken
3 effect as of the effective date of this Section.

4 (q) For State fiscal year 2013, the Department may make
5 recommendations to the General Assembly regarding the use of
6 more recent data for purposes of calculating the assessment
7 authorized under Section 5A-2 and the payments authorized under
8 this Section 5A-12.2. (Blank).

9 (r) (Blank). ~~On and after July 1, 2012, the Department~~
10 ~~shall reduce any rate of reimbursement for services or other~~
11 ~~payments or alter any methodologies authorized by this Code to~~
12 ~~reduce any rate of reimbursement for services or other payments~~
13 ~~in accordance with Section 5-5e.~~

14 (Source: P.A. 96-821, eff. 11-20-09; 97-689, eff. 6-14-12.)

15 (305 ILCS 5/5A-14)

16 Sec. 5A-14. Repeal of assessments and disbursements.

17 (a) Section 5A-2 is repealed on July 1, 2014 ~~January 1,~~
18 ~~2015.~~

19 (b) Section 5A-12 is repealed on July 1, 2005.

20 (c) Section 5A-12.1 is repealed on July 1, 2008.

21 (d) Section 5A-12.2 and Section 5A-12.4 are repealed on
22 July 1, 2014 ~~January 1, 2015.~~

23 (e) Section 5A-12.3 is repealed on July 1, 2011.

24 (Source: P.A. 96-821, eff. 11-20-09; 96-1530, eff. 2-16-11;
25 97-688, eff. 6-14-12; 97-689, eff. 6-14-12.)

1 (305 ILCS 5/6-1.2) (from Ch. 23, par. 6-1.2)

2 Sec. 6-1.2. Need. Income available to the person, when
3 added to contributions in money, substance, or services from
4 other sources, including contributions from legally
5 responsible relatives, must be insufficient to equal the grant
6 amount established by Department regulation (or by local
7 governmental unit in units which do not receive State funds)
8 for such a person.

9 In determining income to be taken into account:

10 (1) The first \$75 of earned income in income assistance
11 units comprised exclusively of one adult person shall be
12 disregarded, and for not more than 3 months in any 12
13 consecutive months that portion of earned income beyond the
14 first \$75 that is the difference between the standard of
15 assistance and the grant amount, shall be disregarded.

16 (2) For income assistance units not comprised
17 exclusively of one adult person, when authorized by rules
18 and regulations of the Illinois Department, a portion of
19 earned income, not to exceed the first \$25 a month plus 50%
20 of the next \$75, may be disregarded for the purpose of
21 stimulating and aiding rehabilitative effort and
22 self-support activity.

23 "Earned income" means money earned in self-employment or
24 wages, salary, or commission for personal services performed as
25 an employee. The eligibility of any applicant for or recipient

1 of public aid under this Article is not affected by the payment
2 of any grant under the "Senior Citizens and Disabled Persons
3 Property Tax Relief and Pharmaceutical Assistance Act", any
4 refund or payment of the federal Earned Income Tax Credit, or
5 any distributions or items of income described under
6 subparagraph (X) of paragraph (2) of subsection (a) of Section
7 203 of the Illinois Income Tax Act.

8 (Source: P.A. 97-689, eff. 6-14-12.)

9 (305 ILCS 5/6-2) (from Ch. 23, par. 6-2)

10 Sec. 6-2. Amount of aid. The amount and nature of General
11 Assistance for basic maintenance requirements shall be
12 determined in accordance with local budget standards for local
13 governmental units which do not receive State funds. For local
14 governmental units which do receive State funds, the amount and
15 nature of General Assistance for basic maintenance
16 requirements shall be determined in accordance with the
17 standards, rules and regulations of the Illinois Department.
18 However, the amount and nature of any financial aid is not
19 affected by the payment of any grant under the Senior Citizens
20 and Disabled Persons Property Tax Relief and Pharmaceutical
21 Assistance Act or any distributions or items of income
22 described under subparagraph (X) of paragraph (2) of subsection
23 (a) of Section 203 of the Illinois Income Tax Act. Due regard
24 shall be given to the requirements and the conditions existing
25 in each case, and to the income, money contributions and other

1 support and resources available, from whatever source. In local
2 governmental units which do not receive State funds, the grant
3 shall be sufficient when added to all other income, money
4 contributions and support in excess of any excluded income or
5 resources, to provide the person with a grant in the amount
6 established for such a person by the local governmental unit
7 based upon standards meeting basic maintenance requirements.
8 In local governmental units which do receive State funds, the
9 grant shall be sufficient when added to all other income, money
10 contributions and support in excess of any excluded income or
11 resources, to provide the person with a grant in the amount
12 established for such a person by Department regulation based
13 upon standards providing a livelihood compatible with health
14 and well-being, as directed by Section 12-4.11 of this Code.

15 The Illinois Department may conduct special projects,
16 which may be known as Grant Diversion Projects, under which
17 recipients of financial aid under this Article are placed in
18 jobs and their grants are diverted to the employer who in turn
19 makes payments to the recipients in the form of salary or other
20 employment benefits. The Illinois Department shall by rule
21 specify the terms and conditions of such Grant Diversion
22 Projects. Such projects shall take into consideration and be
23 coordinated with the programs administered under the Illinois
24 Emergency Employment Development Act.

25 The allowances provided under Article IX for recipients
26 participating in the training and rehabilitation programs

1 shall be in addition to such maximum payment.

2 Payments may also be made to provide persons receiving
3 basic maintenance support with necessary treatment, care and
4 supplies required because of illness or disability or with
5 acute medical treatment, care, and supplies. Payments for
6 necessary or acute medical care under this paragraph may be
7 made to or in behalf of the person. Obligations incurred for
8 such services but not paid for at the time of a recipient's
9 death may be paid, subject to the rules and regulations of the
10 Illinois Department, after the death of the recipient.

11 (Source: P.A. 97-689, eff. 6-14-12.)

12 (305 ILCS 5/6-11) (from Ch. 23, par. 6-11)

13 Sec. 6-11. State funded General Assistance.

14 (a) Effective July 1, 1992, all State funded General
15 Assistance and related medical benefits shall be governed by
16 this Section, ~~provided that, notwithstanding any other~~
17 ~~provisions of this Code to the contrary, on and after July 1,~~
18 ~~2012, the State shall not fund the programs outlined in this~~
19 ~~Section.~~ Other parts of this Code or other laws related to
20 General Assistance shall remain in effect to the extent they do
21 not conflict with the provisions of this Section. If any other
22 part of this Code or other laws of this State conflict with the
23 provisions of this Section, the provisions of this Section
24 shall control.

25 (b) State funded General Assistance shall ~~may~~ consist of 2

1 separate programs. One program shall be for adults with no
2 children and shall be known as State Transitional Assistance.
3 The other program shall ~~may~~ be for families with children and
4 for pregnant women and shall be known as State Family and
5 Children Assistance.

6 (c) (1) To be eligible for State Transitional Assistance on
7 or after July 1, 1992, an individual must be ineligible for
8 assistance under any other Article of this Code, must be
9 determined chronically needy, and must be one of the following:

10 (A) age 18 or over or

11 (B) married and living with a spouse, regardless of
12 age.

13 (2) The Illinois Department or the local governmental unit
14 shall determine whether individuals are chronically needy as
15 follows:

16 (A) Individuals who have applied for Supplemental
17 Security Income (SSI) and are awaiting a decision on
18 eligibility for SSI who are determined disabled by the
19 Illinois Department using the SSI standard shall be
20 considered chronically needy, except that individuals
21 whose disability is based solely on substance addictions
22 (drug abuse and alcoholism) and whose disability would
23 cease were their addictions to end shall be eligible only
24 for medical assistance and shall not be eligible for cash
25 assistance under the State Transitional Assistance
26 program.

1 (B) If an individual has been denied SSI due to a
2 finding of "not disabled" (either at the Administrative Law
3 Judge level or above, or at a lower level if that
4 determination was not appealed), the Illinois Department
5 shall adopt that finding and the individual shall not be
6 eligible for State Transitional Assistance or any related
7 medical benefits. Such an individual may not be determined
8 disabled by the Illinois Department for a period of 12
9 months, unless the individual shows that there has been a
10 substantial change in his or her medical condition or that
11 there has been a substantial change in other factors, such
12 as age or work experience, that might change the
13 determination of disability. ~~(Blank).~~

14 (C) The Illinois Department, by rule, ~~unit of local~~
15 ~~government~~ may specify other categories of individuals as
16 chronically needy; nothing in this Section, however, shall
17 be deemed to require the inclusion of any specific category
18 other than as specified in paragraphs ~~paragraph~~ (A) and
19 (B).

20 (3) For individuals in State Transitional Assistance,
21 medical assistance shall ~~may~~ be provided ~~by the unit of local~~
22 ~~government~~ in an amount and nature determined by the Department
23 of Healthcare and Family Services by rule. The amount and
24 nature of medical assistance provided need not be the same as
25 that provided under paragraph (4) of subsection (d) of this
26 Section, and nothing ~~unit of local government. Nothing~~ in this

1 paragraph (3) shall be construed to require the coverage of any
2 particular medical service. In addition, the amount and nature
3 of medical assistance provided may be different for different
4 categories of individuals determined chronically needy.

5 (4) The Illinois Department shall determine, by rule, those
6 assistance recipients under Article VI who shall be subject to
7 employment, training, or education programs including
8 Earnfare, the content of those programs, and the penalties for
9 failure to cooperate in those programs. ~~(Blank).~~

10 (5) The Illinois Department shall, by rule, establish
11 further eligibility requirements, including but not limited to
12 residence, need, and the level of payments. ~~(Blank).~~

13 (d) (1) To be eligible for State Family and Children
14 Assistance, a family unit must be ineligible for assistance
15 under any other Article of this Code and must contain a child
16 who is:

17 (A) under age 18 or

18 (B) age 18 and a full-time student in a secondary
19 school or the equivalent level of vocational or technical
20 training, and who may reasonably be expected to complete
21 the program before reaching age 19.

22 Those children shall be eligible for State Family and
23 Children Assistance.

24 (2) The natural or adoptive parents of the child living in
25 the same household may be eligible for State Family and
26 Children Assistance.

1 (3) A pregnant woman whose pregnancy has been verified
2 shall be eligible for income maintenance assistance under the
3 State Family and Children Assistance program.

4 (4) The amount and nature of medical assistance provided
5 under the State Family and Children Assistance program shall be
6 determined by the Department of Healthcare and Family Services
7 by rule ~~unit of local government~~. The amount and nature of
8 medical assistance provided need not be the same as that
9 provided under paragraph (3) of subsection (c) of this Section,
10 and nothing in this paragraph (4) shall be construed to require
11 the coverage of any particular medical service.

12 (5) The Illinois Department shall, by rule, establish
13 further eligibility requirements, including but not limited to
14 residence, need, and the level of payments. ~~(Blank).~~

15 (e) A local governmental unit that chooses to participate
16 in a General Assistance program under this Section shall
17 provide funding in accordance with Section 12-21.13 of this
18 Act. Local governmental funds used to qualify for State funding
19 may only be expended for clients eligible for assistance under
20 this Section 6-11 and related administrative expenses.

21 (f) In order to qualify for State funding under this
22 Section, a local governmental unit shall be subject to the
23 supervision and the rules and regulations of the Illinois
24 Department. ~~(Blank).~~

25 (g) Notwithstanding any other provision in this Code, the
26 Illinois Department is authorized to reduce payment levels used

1 to determine cash grants provided to recipients of State
2 Transitional Assistance at any time within a Fiscal Year in
3 order to ensure that cash benefits for State Transitional
4 Assistance do not exceed the amounts appropriated for those
5 cash benefits. Changes in payment levels may be accomplished by
6 emergency rule under Section 5-45 of the Illinois
7 Administrative Procedure Act, except that the limitation on the
8 number of emergency rules that may be adopted in a 24-month
9 period shall not apply and the provisions of Sections 5-115 and
10 5-125 of the Illinois Administrative Procedure Act shall not
11 apply. This provision shall also be applicable to any reduction
12 in payment levels made upon implementation of this amendatory
13 Act of 1995. ~~(Blank).~~

14 (Source: P.A. 97-689, eff. 6-14-12.)

15 (305 ILCS 5/11-13) (from Ch. 23, par. 11-13)

16 Sec. 11-13. Conditions For Receipt of Vendor Payments -
17 Limitation Period For Vendor Action - Penalty For Violation. A
18 vendor payment, as defined in Section 2-5 of Article II, shall
19 constitute payment in full for the goods or services covered
20 thereby. Acceptance of the payment by or in behalf of the
21 vendor shall bar him from obtaining, or attempting to obtain,
22 additional payment therefor from the recipient or any other
23 person. A vendor payment shall not, however, bar recovery of
24 the value of goods and services the obligation for which, under
25 the rules and regulations of the Illinois Department, is to be

1 met from the income and resources available to the recipient,
2 and in respect to which the vendor payment of the Illinois
3 Department or the local governmental unit represents
4 supplementation of such available income and resources.

5 Vendors seeking to enforce obligations of a governmental
6 unit or the Illinois Department for goods or services (1)
7 furnished to or in behalf of recipients and (2) subject to a
8 vendor payment as defined in Section 2-5, shall commence their
9 actions in the appropriate Circuit Court or the Court of
10 Claims, as the case may require, within one year next after the
11 cause of action accrued.

12 A cause of action accrues within the meaning of this
13 Section upon the following date:

14 (1) If the vendor can prove that he submitted a bill
15 for the service rendered to the Illinois Department or a
16 governmental unit within 12 months of ~~180 days~~ after the
17 date the service was rendered, then (a) upon the date the
18 Illinois Department or a governmental unit mails to the
19 vendor information that it is paying a bill in part or is
20 refusing to pay a bill in whole or in part, or (b) upon the
21 date one year following the date the vendor submitted such
22 bill if the Illinois Department or a governmental unit
23 fails to mail to the vendor such payment information within
24 one year following the date the vendor submitted the bill;
25 or

26 (2) If the vendor cannot prove that he submitted a bill

1 for the service rendered within 12 months of ~~180 days after~~
2 the date the service was rendered, then upon the date 12
3 months following the date the vendor rendered the service
4 to the recipient.

5 ~~In the case of long term care facilities, where the~~
6 ~~Illinois Department initiates the monthly billing process for~~
7 ~~the vendor, the cause of action shall accrue 12 months after~~
8 ~~the last day of the month the service was rendered.~~

9 This paragraph governs only vendor payments as defined in
10 this Code and as limited by regulations of the Illinois
11 Department; it does not apply to goods or services purchased or
12 contracted for by a recipient under circumstances in which the
13 payment is to be made directly by the recipient.

14 Any vendor who accepts a vendor payment and who knowingly
15 obtains or attempts to obtain additional payment for the goods
16 or services covered by the vendor payment from the recipient or
17 any other person shall be guilty of a Class B misdemeanor.

18 (Source: P.A. 97-689, eff. 6-14-12.)

19 (305 ILCS 5/11-26) (from Ch. 23, par. 11-26)

20 Sec. 11-26. Recipient's abuse of medical care;
21 restrictions on access to medical care.

22 (a) When the Department determines, on the basis of
23 statistical norms and medical judgment, that a medical care
24 recipient has received medical services in excess of need and
25 with such frequency or in such a manner as to constitute an

1 abuse of the recipient's medical care privileges, the
2 recipient's access to medical care may be restricted.

3 (b) When the Department has determined that a recipient is
4 abusing his or her medical care privileges as described in this
5 Section, it may require that the recipient designate a primary
6 provider type of the recipient's own choosing to assume
7 responsibility for the recipient's care. For the purposes of
8 this subsection, "primary provider type" means a primary care
9 provider, primary care pharmacy, primary dentist, primary
10 podiatrist, or primary durable medical equipment provider
11 ~~provider type as determined by the Department.~~ Instead of
12 requiring a recipient to make a designation as provided in this
13 subsection, the Department, pursuant to rules adopted by the
14 Department and without regard to any choice of an entity that
15 the recipient might otherwise make, may initially designate a
16 primary provider type provided that the primary provider type
17 is willing to provide that care.

18 (c) When the Department has requested that a recipient
19 designate a primary provider type and the recipient fails or
20 refuses to do so, the Department may, after a reasonable period
21 of time, assign the recipient to a primary provider type of its
22 own choice and determination, provided such primary provider
23 type is willing to provide such care.

24 (d) When a recipient has been restricted to a designated
25 primary provider type, the recipient may change the primary
26 provider type:

1 (1) when the designated source becomes unavailable, as
2 the Department shall determine by rule; or

3 (2) when the designated primary provider type notifies
4 the Department that it wishes to withdraw from any
5 obligation as primary provider type; or

6 (3) in other situations, as the Department shall
7 provide by rule.

8 The Department shall, by rule, establish procedures for
9 providing medical or pharmaceutical services when the
10 designated source becomes unavailable or wishes to withdraw
11 from any obligation as primary provider type, shall, by rule,
12 take into consideration the need for emergency or temporary
13 medical assistance and shall ensure that the recipient has
14 continuous and unrestricted access to medical care from the
15 date on which such unavailability or withdrawal becomes
16 effective until such time as the recipient designates a primary
17 provider type or a primary provider type willing to provide
18 such care is designated by the Department consistent with
19 subsections (b) and (c) and such restriction becomes effective.

20 (e) Prior to initiating any action to restrict a
21 recipient's access to medical or pharmaceutical care, the
22 Department shall notify the recipient of its intended action.
23 Such notification shall be in writing and shall set forth the
24 reasons for and nature of the proposed action. In addition, the
25 notification shall:

26 (1) inform the recipient that (i) the recipient has a

1 right to designate a primary provider type of the
2 recipient's own choosing willing to accept such
3 designation and that the recipient's failure to do so
4 within a reasonable time may result in such designation
5 being made by the Department or (ii) the Department has
6 designated a primary provider type to assume
7 responsibility for the recipient's care; and

8 (2) inform the recipient that the recipient has a right
9 to appeal the Department's determination to restrict the
10 recipient's access to medical care and provide the
11 recipient with an explanation of how such appeal is to be
12 made. The notification shall also inform the recipient of
13 the circumstances under which unrestricted medical
14 eligibility shall continue until a decision is made on
15 appeal and that if the recipient chooses to appeal, the
16 recipient will be able to review the medical payment data
17 that was utilized by the Department to decide that the
18 recipient's access to medical care should be restricted.

19 (f) The Department shall, by rule or regulation, establish
20 procedures for appealing a determination to restrict a
21 recipient's access to medical care, which procedures shall, at
22 a minimum, provide for a reasonable opportunity to be heard
23 and, where the appeal is denied, for a written statement of the
24 reason or reasons for such denial.

25 (g) Except as otherwise provided in this subsection, when a
26 recipient has had his or her medical card restricted for 4 full

1 quarters (without regard to any period of ineligibility for
2 medical assistance under this Code, or any period for which the
3 recipient voluntarily terminates his or her receipt of medical
4 assistance, that may occur before the expiration of those 4
5 full quarters), the Department shall reevaluate the
6 recipient's medical usage to determine whether it is still in
7 excess of need and with such frequency or in such a manner as
8 to constitute an abuse of the receipt of medical assistance. If
9 it is still in excess of need, the restriction shall be
10 continued for another 4 full quarters. If it is no longer in
11 excess of need, the restriction shall be discontinued. If a
12 recipient's access to medical care has been restricted under
13 this Section and the Department then determines, either at
14 reevaluation or after the restriction has been discontinued, to
15 restrict the recipient's access to medical care a second or
16 subsequent time, the second or subsequent restriction may be
17 imposed for a period of more than 4 full quarters. If the
18 Department restricts a recipient's access to medical care for a
19 period of more than 4 full quarters, as determined by rule, the
20 Department shall reevaluate the recipient's medical usage
21 after the end of the restriction period rather than after the
22 end of 4 full quarters. The Department shall notify the
23 recipient, in writing, of any decision to continue the
24 restriction and the reason or reasons therefor. A "quarter",
25 for purposes of this Section, shall be defined as one of the
26 following 3-month periods of time: January-March, April-June,

1 July-September or October-December.

2 (h) In addition to any other recipient whose acquisition of
3 medical care is determined to be in excess of need, the
4 Department may restrict the medical care privileges of the
5 following persons:

6 (1) recipients found to have loaned or altered their
7 cards or misused or falsely represented medical coverage;

8 (2) recipients found in possession of blank or forged
9 prescription pads;

10 (3) recipients who knowingly assist providers in
11 rendering excessive services or defrauding the medical
12 assistance program.

13 The procedural safeguards in this Section shall apply to
14 the above individuals.

15 (i) Restrictions under this Section shall be in addition to
16 and shall not in any way be limited by or limit any actions
17 taken under Article VIII A ~~VIII A~~ of this Code.

18 (Source: P.A. 96-1501, eff. 1-25-11; 97-689, eff. 6-14-12;
19 revised 8-3-12.)

20 (305 ILCS 5/12-4.25) (from Ch. 23, par. 12-4.25)

21 Sec. 12-4.25. Medical assistance program; vendor
22 participation.

23 (A) The Illinois Department may deny, suspend, or terminate
24 the eligibility of any person, firm, corporation, association,
25 agency, institution or other legal entity to participate as a

1 vendor of goods or services to recipients under the medical
2 assistance program under Article V, ~~or may exclude any such~~
3 ~~person or entity from participation as such a vendor, and may~~
4 ~~deny, suspend, or recover payments,~~ if after reasonable notice
5 and opportunity for a hearing the Illinois Department finds:

6 (a) Such vendor is not complying with the Department's
7 policy or rules and regulations, or with the terms and
8 conditions prescribed by the Illinois Department in its
9 vendor agreement, which document shall be developed by the
10 Department as a result of negotiations with each vendor
11 category, including physicians, hospitals, long term care
12 facilities, pharmacists, optometrists, podiatrists and
13 dentists setting forth the terms and conditions applicable
14 to the participation of each vendor group in the program;
15 or

16 (b) Such vendor has failed to keep or make available
17 for inspection, audit or copying, after receiving a written
18 request from the Illinois Department, such records
19 regarding payments claimed for providing services. This
20 section does not require vendors to make available patient
21 records of patients for whom services are not reimbursed
22 under this Code; or

23 (c) Such vendor has failed to furnish any information
24 requested by the Department regarding payments for
25 providing goods or services; or

26 (d) Such vendor has knowingly made, or caused to be

1 made, any false statement or representation of a material
2 fact in connection with the administration of the medical
3 assistance program; or

4 (e) Such vendor has furnished goods or services to a
5 recipient which are (1) in excess of his or her needs ~~need~~,
6 (2) harmful to the recipient, or (3) of grossly inferior
7 quality, all of such determinations to be based upon
8 competent medical judgment and evaluations; or

9 (f) The vendor; a person with management
10 responsibility for a vendor; an officer or person owning,
11 either directly or indirectly, 5% or more of the shares of
12 stock or other evidences of ownership in a corporate
13 vendor; an owner of a sole proprietorship which is a
14 vendor; or a partner in a partnership which is a vendor,
15 either:

16 (1) was previously terminated, ~~suspended, or~~
17 ~~excluded~~ from participation in the Illinois medical
18 assistance program, or was terminated, ~~suspended, or~~
19 ~~excluded~~ from participation in a medical assistance
20 program in another state that is of the same kind as
21 the program of medical assistance provided under
22 Article V of this Code ~~another state or federal medical~~
23 ~~assistance or health care program~~; or

24 (2) was a person with management responsibility
25 for a vendor previously terminated, ~~suspended, or~~
26 ~~excluded~~ from participation in the Illinois medical

1 assistance program, or terminated,~~suspended, or~~
2 ~~excluded~~ from participation in a another state or
3 ~~federal~~ medical assistance program in another state
4 that is of the same kind as the program of medical
5 assistance provided under Article V of this Code, or
6 ~~health care program~~ during the time of conduct which
7 was the basis for that vendor's termination,
8 ~~suspension, or exclusion;~~ or

9 (3) was an officer, or person owning, either
10 directly or indirectly, 5% or more of the shares of
11 stock or other evidences of ownership in a corporate ~~or~~
12 ~~limited liability company~~ vendor previously
13 terminated,~~suspended, or excluded~~ from participation
14 in the Illinois medical assistance program, or
15 terminated,~~suspended, or excluded~~ from participation
16 in a ~~state or federal~~ medical assistance ~~or health care~~
17 program in another state that is of the same kind as
18 the program of medical assistance provided under
19 Article V of this Code, during the time of conduct
20 which was the basis for that vendor's termination,
21 ~~suspension, or exclusion;~~ or

22 (4) was an owner of a sole proprietorship or
23 partner of a partnership previously terminated,
24 ~~suspended, or excluded~~ from participation in the
25 Illinois medical assistance program, or terminated,
26 ~~suspended, or excluded~~ from participation in a ~~state or~~

1 ~~federal~~ medical assistance program in another state
2 that is of the same kind as the program of medical
3 assistance provided under Article V of this Code, or
4 ~~health care program~~ during the time of conduct which
5 was the basis for that vendor's termination,
6 ~~suspension, or exclusion; or~~

7 (f-1) (Blank); or ~~Such vendor has a delinquent debt~~
8 ~~owed to the Illinois Department; or~~

9 (g) The vendor; a person with management
10 responsibility for a vendor; an officer or person owning,
11 either directly or indirectly, 5% or more of the shares of
12 stock or other evidences of ownership in a corporate ~~or~~
13 ~~limited liability company~~ vendor; an owner of a sole
14 proprietorship which is a vendor; or a partner in a
15 partnership which is a vendor, either:

16 (1) has engaged in practices prohibited by
17 applicable federal or State law or regulation relating
18 to the medical assistance program; or

19 (2) was a person with management responsibility
20 for a vendor at the time that such vendor engaged in
21 practices prohibited by applicable federal or State
22 law or regulation relating to the medical assistance
23 program; or

24 (3) was an officer, or person owning, either
25 directly or indirectly, 5% or more of the shares of
26 stock or other evidences of ownership in a vendor at

1 the time such vendor engaged in practices prohibited by
2 applicable federal or State law or regulation relating
3 to the medical assistance program; or

4 (4) was an owner of a sole proprietorship or
5 partner of a partnership which was a vendor at the time
6 such vendor engaged in practices prohibited by
7 applicable federal or State law or regulation relating
8 to the medical assistance program; or

9 (h) The direct or indirect ownership of the vendor
10 (including the ownership of a vendor that is a sole
11 proprietorship, a partner's interest in a vendor that is a
12 partnership, or ownership of 5% or more of the shares of
13 stock or other evidences of ownership in a corporate
14 vendor) has been transferred by an individual who is
15 terminated, ~~suspended, or excluded~~ or barred from
16 participating as a vendor to the individual's spouse,
17 child, brother, sister, parent, grandparent, grandchild,
18 uncle, aunt, niece, nephew, cousin, or relative by
19 marriage.

20 (A-5) The Illinois Department may deny, suspend, or
21 terminate the eligibility of any person, firm, corporation,
22 association, agency, institution, or other legal entity to
23 participate as a vendor of goods or services to recipients
24 under the medical assistance program under Article V, ~~or may~~
25 ~~exclude any such person or entity from participation as such a~~
26 ~~vendor,~~ if, after reasonable notice and opportunity for a

1 hearing, the Illinois Department finds that the vendor; a
2 person with management responsibility for a vendor; an officer
3 or person owning, either directly or indirectly, 5% or more of
4 the shares of stock or other evidences of ownership in a
5 corporate vendor; an owner of a sole proprietorship that is a
6 vendor; or a partner in a partnership that is a vendor has been
7 convicted of a felony ~~an~~ offense based on fraud or willful
8 misrepresentation related to any of the following:

9 (1) The medical assistance program under Article V of
10 this Code.

11 (2) A medical assistance ~~or health care~~ program in
12 another state that is of the same kind as the program of
13 medical assistance provided under Article V of this Code.

14 (3) The Medicare program under Title XVIII of the
15 Social Security Act.

16 (4) The provision of health care services.

17 (5) (Blank). ~~A violation of this Code, as provided in~~
18 ~~Article VIIIA, or another state or federal medical~~
19 ~~assistance program or health care program.~~

20 (A-10) The Illinois Department may deny, suspend, or
21 terminate the eligibility of any person, firm, corporation,
22 association, agency, institution, or other legal entity to
23 participate as a vendor of goods or services to recipients
24 under the medical assistance program under Article V, ~~or may~~
25 ~~exclude any such person or entity from participation as such a~~
26 ~~vendor,~~ if, after reasonable notice and opportunity for a

1 hearing, the Illinois Department finds that (i) the vendor,
2 (ii) a person with management responsibility for a vendor,
3 (iii) an officer or person owning, either directly or
4 indirectly, 5% or more of the shares of stock or other
5 evidences of ownership in a corporate vendor, (iv) an owner of
6 a sole proprietorship that is a vendor, or (v) a partner in a
7 partnership that is a vendor has been convicted of a felony ~~an~~
8 offense related to any of the following:

9 (1) Murder.

10 (2) A Class X felony under the Criminal Code of 1961.

11 (3) (Blank). ~~Sexual misconduct that may subject~~
12 ~~recipients to an undue risk of harm.~~

13 (4) (Blank). ~~A criminal offense that may subject~~
14 ~~recipients to an undue risk of harm.~~

15 (5) (Blank). ~~A crime of fraud or dishonesty.~~

16 (6) (Blank). ~~A crime involving a controlled substance.~~

17 (7) (Blank). ~~A misdemeanor relating to fraud, theft,~~
18 ~~embezzlement, breach of fiduciary responsibility, or other~~
19 ~~financial misconduct related to a health care program.~~

20 (A-15) (Blank). ~~The Illinois Department may deny the~~
21 ~~eligibility of any person, firm, corporation, association,~~
22 ~~agency, institution, or other legal entity to participate as a~~
23 ~~vendor of goods or services to recipients under the medical~~
24 ~~assistance program under Article V if, after reasonable notice~~
25 ~~and opportunity for a hearing, the Illinois Department finds:~~

26 ~~(1) The applicant or any person with management~~

1 ~~responsibility for the applicant; an officer or member of~~
2 ~~the board of directors of an applicant; an entity owning~~
3 ~~(directly or indirectly) 5% or more of the shares of stock~~
4 ~~or other evidences of ownership in a corporate vendor~~
5 ~~applicant; an owner of a sole proprietorship applicant; a~~
6 ~~partner in a partnership applicant; or a technical or other~~
7 ~~advisor to an applicant has a debt owed to the Illinois~~
8 ~~Department, and no payment arrangements acceptable to the~~
9 ~~Illinois Department have been made by the applicant.~~

10 ~~(2) The applicant or any person with management~~
11 ~~responsibility for the applicant; an officer or member of~~
12 ~~the board of directors of an applicant; an entity owning~~
13 ~~(directly or indirectly) 5% or more of the shares of stock~~
14 ~~or other evidences of ownership in a corporate vendor~~
15 ~~applicant; an owner of a sole proprietorship applicant; a~~
16 ~~partner in a partnership vendor applicant; or a technical~~
17 ~~or other advisor to an applicant was (i) a person with~~
18 ~~management responsibility, (ii) an officer or member of the~~
19 ~~board of directors of an applicant, (iii) an entity owning~~
20 ~~(directly or indirectly) 5% or more of the shares of stock~~
21 ~~or other evidences of ownership in a corporate vendor, (iv)~~
22 ~~an owner of a sole proprietorship, (v) a partner in a~~
23 ~~partnership vendor, (vi) a technical or other advisor to a~~
24 ~~vendor, during a period of time where the conduct of that~~
25 ~~vendor resulted in a debt owed to the Illinois Department,~~
26 ~~and no payment arrangements acceptable to the Illinois~~

1 ~~Department have been made by that vendor.~~

2 ~~(3) There is a credible allegation of the use,~~
3 ~~transfer, or lease of assets of any kind to an applicant~~
4 ~~from a current or prior vendor who has a debt owed to the~~
5 ~~Illinois Department, no payment arrangements acceptable to~~
6 ~~the Illinois Department have been made by that vendor or~~
7 ~~the vendor's alternate payee, and the applicant knows or~~
8 ~~should have known of such debt.~~

9 ~~(4) There is a credible allegation of a transfer of~~
10 ~~management responsibilities, or direct or indirect~~
11 ~~ownership, to an applicant from a current or prior vendor~~
12 ~~who has a debt owed to the Illinois Department, and no~~
13 ~~payment arrangements acceptable to the Illinois Department~~
14 ~~have been made by that vendor or the vendor's alternate~~
15 ~~payee, and the applicant knows or should have known of such~~
16 ~~debt.~~

17 ~~(5) There is a credible allegation of the use,~~
18 ~~transfer, or lease of assets of any kind to an applicant~~
19 ~~who is a spouse, child, brother, sister, parent,~~
20 ~~grandparent, grandchild, uncle, aunt, niece, relative by~~
21 ~~marriage, nephew, cousin, or relative of a current or prior~~
22 ~~vendor who has a debt owed to the Illinois Department and~~
23 ~~no payment arrangements acceptable to the Illinois~~
24 ~~Department have been made.~~

25 ~~(6) There is a credible allegation that the applicant's~~
26 ~~previous affiliations with a provider of medical services~~

1 ~~that has an uncollected debt, a provider that has been or~~
2 ~~is subject to a payment suspension under a federal health~~
3 ~~care program, or a provider that has been previously~~
4 ~~excluded from participation in the medical assistance~~
5 ~~program, poses a risk of fraud, waste, or abuse to the~~
6 ~~Illinois Department.~~

7 ~~As used in this subsection, "credible allegation" is~~
8 ~~defined to include an allegation from any source, including,~~
9 ~~but not limited to, fraud hotline complaints, claims data~~
10 ~~mining, patterns identified through provider audits, civil~~
11 ~~actions filed under the False Claims Act, and law enforcement~~
12 ~~investigations. An allegation is considered to be credible when~~
13 ~~it has indicia of reliability.~~

14 (B) The Illinois Department shall deny, suspend or
15 terminate the eligibility of any person, firm, corporation,
16 association, agency, institution or other legal entity to
17 participate as a vendor of goods or services to recipients
18 under the medical assistance program under Article V, ~~or may~~
19 ~~exclude any such person or entity from participation as such a~~
20 ~~vendor:~~

21 (1) ~~immediately,~~ if such vendor is not properly
22 licensed, ~~certified, or authorized;~~

23 (2) within 30 days of the date when such vendor's
24 professional license, certification or other authorization
25 has been refused renewal or has been ~~, restricted,~~ revoked,
26 suspended, or otherwise terminated; or

1 (3) if such vendor has been convicted of a violation of
2 this Code, as provided in Article VIIIA.

3 (C) Upon termination, ~~suspension, or exclusion~~ of a vendor
4 of goods or services from participation in the medical
5 assistance program authorized by this Article, a person with
6 management responsibility for such vendor during the time of
7 any conduct which served as the basis for that vendor's
8 ~~termination, suspension, or exclusion~~ is barred from
9 participation in the medical assistance program.

10 Upon ~~termination, suspension, or exclusion~~ of a corporate
11 vendor, the officers and persons owning, directly or
12 indirectly, 5% or more of the shares of stock or other
13 evidences of ownership in the vendor during the time of any
14 conduct which served as the basis for that vendor's
15 ~~termination, suspension, or exclusion~~ are barred from
16 participation in the medical assistance program. A person who
17 owns, directly or indirectly, 5% or more of the shares of stock
18 or other evidences of ownership in a terminated corporate ~~7~~
19 ~~suspended, or excluded~~ vendor may not transfer his or her
20 ownership interest in that vendor to his or her spouse, child,
21 brother, sister, parent, grandparent, grandchild, uncle, aunt,
22 niece, nephew, cousin, or relative by marriage.

23 Upon ~~termination, suspension, or exclusion~~ of a sole
24 proprietorship or partnership, the owner or partners during the
25 time of any conduct which served as the basis for that vendor's
26 ~~termination, suspension, or exclusion~~ are barred from

1 participation in the medical assistance program. The owner of a
2 terminated, ~~suspended, or excluded~~ vendor that is a sole
3 proprietorship, and a partner in a terminated, ~~suspended, or~~
4 ~~excluded~~ vendor that is a partnership, may not transfer his or
5 her ownership or partnership interest in that vendor to his or
6 her spouse, child, brother, sister, parent, grandparent,
7 grandchild, uncle, aunt, niece, nephew, cousin, or relative by
8 marriage.

9 ~~A person who owns, directly or indirectly, 5% or more of~~
10 ~~the shares of stock or other evidences of ownership in a~~
11 ~~corporate or limited liability company vendor who owes a debt~~
12 ~~to the Department, if that vendor has not made payment~~
13 ~~arrangements acceptable to the Department, shall not transfer~~
14 ~~his or her ownership interest in that vendor, or vendor assets~~
15 ~~of any kind, to his or her spouse, child, brother, sister,~~
16 ~~parent, grandparent, grandchild, uncle, aunt, niece, nephew,~~
17 ~~cousin, or relative by marriage.~~

18 Rules adopted by the Illinois Department to implement these
19 provisions shall specifically include a definition of the term
20 "management responsibility" as used in this Section. Such
21 definition shall include, but not be limited to, typical job
22 titles, and duties and descriptions which will be considered as
23 within the definition of individuals with management
24 responsibility for a provider.

25 ~~A vendor or a prior vendor who has been terminated,~~
26 ~~excluded, or suspended from the medical assistance program, or~~

1 ~~from another state or federal medical assistance or health care~~
2 ~~program, and any individual currently or previously barred from~~
3 ~~the medical assistance program, or from another state or~~
4 ~~federal medical assistance or health care program, as a result~~
5 ~~of being an officer or a person owning, directly or indirectly,~~
6 ~~5% or more of the shares of stock or other evidences of~~
7 ~~ownership in a corporate or limited liability company vendor~~
8 ~~during the time of any conduct which served as the basis for~~
9 ~~that vendor's termination, suspension, or exclusion, may be~~
10 ~~required to post a surety bond as part of a condition of~~
11 ~~enrollment or participation in the medical assistance program.~~
12 ~~The Illinois Department shall establish, by rule, the criteria~~
13 ~~and requirements for determining when a surety bond must be~~
14 ~~posted and the value of the bond.~~

15 ~~A vendor or a prior vendor who has a debt owed to the~~
16 ~~Illinois Department and any individual currently or previously~~
17 ~~barred from the medical assistance program, or from another~~
18 ~~state or federal medical assistance or health care program, as~~
19 ~~a result of being an officer or a person owning, directly or~~
20 ~~indirectly, 5% or more of the shares of stock or other~~
21 ~~evidences of ownership in that corporate or limited liability~~
22 ~~company vendor during the time of any conduct which served as~~
23 ~~the basis for the debt, may be required to post a surety bond~~
24 ~~as part of a condition of enrollment or participation in the~~
25 ~~medical assistance program. The Illinois Department shall~~
26 ~~establish, by rule, the criteria and requirements for~~

1 ~~determining when a surety bond must be posted and the value of~~
2 ~~the bond.~~

3 (D) If a vendor has been suspended from the medical
4 assistance program under Article V of the Code, the Director
5 may require that such vendor correct any deficiencies which
6 served as the basis for the suspension. The Director shall
7 specify in the suspension order a specific period of time,
8 which shall not exceed one year from the date of the order,
9 during which a suspended vendor shall not be eligible to
10 participate. At the conclusion of the period of suspension the
11 Director shall reinstate such vendor, unless he finds that such
12 vendor has not corrected deficiencies upon which the suspension
13 was based.

14 If a vendor has been terminated, ~~suspended, or excluded~~
15 from the medical assistance program under Article V, such
16 vendor shall be barred from participation for at least one
17 year, except that if a vendor has been terminated, ~~suspended,~~
18 ~~or excluded~~ based on a conviction of a violation of Article
19 VIIIA or a conviction of a felony based on fraud or a willful
20 misrepresentation related to (i) the medical assistance
21 program under Article V, (ii) a ~~federal or another state's~~
22 medical assistance or health care program in another state that
23 is of the kind provided under Article V, (iii) the Medicare
24 program under Title XVIII of the Social Security Act, or (iv)
25 ~~(iii)~~ the provision of health care services, then the vendor
26 shall be barred from participation for 5 years or for the

1 length of the vendor's sentence for that conviction, whichever
2 is longer. At the end of one year a vendor who has been
3 terminated, ~~suspended, or excluded~~ may apply for reinstatement
4 to the program. Upon proper application to be reinstated such
5 vendor may be deemed eligible by the Director providing that
6 such vendor meets the requirements for eligibility under this
7 Code. If such vendor is deemed not eligible for reinstatement,
8 he shall be barred from again applying for reinstatement for
9 one year from the date his application for reinstatement is
10 denied.

11 A vendor whose termination, ~~suspension, or exclusion~~ from
12 participation in the Illinois medical assistance program under
13 Article V was based solely on an action by a governmental
14 entity other than the Illinois Department may, upon
15 reinstatement by that governmental entity or upon reversal of
16 the termination, ~~suspension, or exclusion,~~ apply for
17 rescission of the termination, ~~suspension, or exclusion~~ from
18 participation in the Illinois medical assistance program. Upon
19 proper application for rescission, the vendor may be deemed
20 eligible by the Director if the vendor meets the requirements
21 for eligibility under this Code.

22 If a vendor has been terminated, ~~suspended, or excluded~~ and
23 reinstated to the medical assistance program under Article V
24 and the vendor is terminated, suspended, or excluded a second
25 or subsequent time from the medical assistance program, the
26 vendor shall be barred from participation for at least 2 years,

1 except that if a vendor has been terminated,~~suspended, or~~
2 ~~excluded~~ a second time based on a conviction of a violation of
3 Article VIIIA or a conviction of a felony based on fraud or a
4 willful misrepresentation related to (i) the medical
5 assistance program under Article V, (ii) ~~a federal or another~~
6 ~~state's~~ medical assistance or health care program in another
7 state that is of the kind provided under Article V, (iii) the
8 Medicare program under Title XVIII of the Social Security Act,
9 or (iv) ~~(iii)~~ the provision of health care services, then the
10 vendor shall be barred from participation for life. At the end
11 of 2 years, a vendor who has been terminated,~~suspended, or~~
12 ~~excluded~~ may apply for reinstatement to the program. Upon
13 application to be reinstated, the vendor may be deemed eligible
14 if the vendor meets the requirements for eligibility under this
15 Code. If the vendor is deemed not eligible for reinstatement,
16 the vendor shall be barred from again applying for
17 reinstatement for 2 years from the date the vendor's
18 application for reinstatement is denied.

19 (E) The Illinois Department may recover money improperly or
20 erroneously paid, or overpayments, either by setoff, crediting
21 against future billings or by requiring direct repayment to the
22 Illinois Department. ~~The Illinois Department may suspend or~~
23 ~~deny payment, in whole or in part, if such payment would be~~
24 ~~improper or erroneous or would otherwise result in overpayment.~~

25 ~~(1) Payments may be suspended, denied, or recovered~~
26 ~~from a vendor or alternate payee: (i) for services rendered~~

1 ~~in violation of the Illinois Department's provider~~
2 ~~notices, statutes, rules, and regulations; (ii) for~~
3 ~~services rendered in violation of the terms and conditions~~
4 ~~prescribed by the Illinois Department in its vendor~~
5 ~~agreement; (iii) for any vendor who fails to grant the~~
6 ~~Office of Inspector General timely access to full and~~
7 ~~complete records, including, but not limited to, records~~
8 ~~relating to recipients under the medical assistance~~
9 ~~program for the most recent 6 years, in accordance with~~
10 ~~Section 140.28 of Title 89 of the Illinois Administrative~~
11 ~~Code, and other information for the purpose of audits,~~
12 ~~investigations, or other program integrity functions,~~
13 ~~after reasonable written request by the Inspector General;~~
14 ~~this subsection (E) does not require vendors to make~~
15 ~~available the medical records of patients for whom services~~
16 ~~are not reimbursed under this Code or to provide access to~~
17 ~~medical records more than 6 years old; (iv) when the vendor~~
18 ~~has knowingly made, or caused to be made, any false~~
19 ~~statement or representation of a material fact in~~
20 ~~connection with the administration of the medical~~
21 ~~assistance program; or (v) when the vendor previously~~
22 ~~rendered services while terminated, suspended, or excluded~~
23 ~~from participation in the medical assistance program or~~
24 ~~while terminated or excluded from participation in another~~
25 ~~state or federal medical assistance or health care program.~~

26 ~~(2) Notwithstanding any other provision of law, if a~~

1 ~~vendor has the same taxpayer identification number~~
2 ~~(assigned under Section 6109 of the Internal Revenue Code~~
3 ~~of 1986) as is assigned to a vendor with past due financial~~
4 ~~obligations to the Illinois Department, the Illinois~~
5 ~~Department may make any necessary adjustments to payments~~
6 ~~to that vendor in order to satisfy any past due~~
7 ~~obligations, regardless of whether the vendor is assigned a~~
8 ~~different billing number under the medical assistance~~
9 ~~program.~~

10 If the Illinois Department establishes through an
11 administrative hearing that the overpayments resulted from the
12 vendor or alternate payee willfully ~~knowingly~~ making, ~~using~~, or
13 causing to be made ~~or used~~, a false ~~record or~~ statement or
14 misrepresentation of a material fact in connection with
15 billings and payments under ~~to obtain payment or other benefit~~
16 ~~from~~ the medical assistance program under Article V, the
17 Department may recover interest on the amount of the
18 overpayments ~~payment or other benefit~~ at the rate of 5% per
19 annum. ~~In addition to any other penalties that may be~~
20 ~~prescribed by law, such a vendor or alternate payee shall be~~
21 ~~subject to civil penalties consisting of an amount not to~~
22 ~~exceed 3 times the amount of payment or other benefit resulting~~
23 ~~from each such false record or statement, and the sum of \$2,000~~
24 ~~for each such false record or statement for payment or other~~
25 ~~benefit.~~ For purposes of this paragraph, "willfully"
26 "knowingly" means that a person makes a statement or

1 ~~representation with vendor or alternate payee with respect to~~
2 ~~information: (i) has actual knowledge that it was false, or~~
3 ~~makes a statement or representation with knowledge of facts or~~
4 ~~information that would cause one to be aware that the statement~~
5 ~~or representation was false when made. of the information, (ii)~~
6 ~~acts in deliberate ignorance of the truth or falsity of the~~
7 ~~information, or (iii) acts in reckless disregard of the truth~~
8 ~~or falsity of the information. No proof of specific intent to~~
9 ~~defraud is required.~~

10 (F) The Illinois Department may withhold payments to any
11 vendor or alternate payee ~~prior to or~~ during the pendency of
12 any ~~audit or~~ proceeding under this Section, ~~and through the~~
13 ~~pendency of any administrative appeal or administrative review~~
14 ~~by any court proceeding.~~ The Illinois Department shall state by
15 rule with as much specificity as practicable the conditions
16 under which payments will not be withheld during the pendency
17 of any proceeding under this Section. Payments may be denied
18 for bills submitted with service dates occurring during the
19 pendency of a proceeding, ~~after a final decision has been~~
20 ~~rendered, or after the conclusion of any administrative appeal,~~
21 where the final administrative decision is to terminate,
22 ~~exclude, or suspend~~ eligibility to participate in the medical
23 assistance program. The Illinois Department shall state by rule
24 with as much specificity as practicable the conditions under
25 which payments will not be denied for such bills. The Illinois
26 Department shall state by rule a process and criteria by which

1 a vendor or alternate payee may request full or partial release
2 of payments withheld under this subsection. The Department must
3 complete a proceeding under this Section in a timely manner.

4 ~~Notwithstanding recovery allowed under subsection (E) or~~
5 ~~this subsection (F), the Illinois Department may withhold~~
6 ~~payments to any vendor or alternate payee who is not properly~~
7 ~~licensed, certified, or in compliance with State or federal~~
8 ~~agency regulations. Payments may be denied for bills submitted~~
9 ~~with service dates occurring during the period of time that a~~
10 ~~vendor is not properly licensed, certified, or in compliance~~
11 ~~with State or federal regulations. Facilities licensed under~~
12 ~~the Nursing Home Care Act shall have payments denied or~~
13 ~~withheld pursuant to subsection (I) of this Section.~~

14 (F-5) The Illinois Department may temporarily withhold
15 payments to a vendor or alternate payee if any of the following
16 individuals have been indicted or otherwise charged under a law
17 of the United States or this or any other state with a felony
18 ~~an~~ offense that is based on alleged fraud or willful
19 misrepresentation on the part of the individual related to (i)
20 the medical assistance program under Article V of this Code,
21 (ii) a ~~federal or another state's~~ medical assistance ~~or health~~
22 ~~care~~ program provided in another state which is of the kind
23 provided under Article V of this Code, (iii) the Medicare
24 program under Title XVIII of the Social Security Act, or (iv)
25 ~~(iii)~~ the provision of health care services:

26 (1) If the vendor or alternate payee is a corporation:

1 an officer of the corporation or an individual who owns,
2 either directly or indirectly, 5% or more of the shares of
3 stock or other evidence of ownership of the corporation.

4 (2) If the vendor is a sole proprietorship: the owner
5 of the sole proprietorship.

6 (3) If the vendor or alternate payee is a partnership:
7 a partner in the partnership.

8 (4) If the vendor or alternate payee is any other
9 business entity authorized by law to transact business in
10 this State: an officer of the entity or an individual who
11 owns, either directly or indirectly, 5% or more of the
12 evidences of ownership of the entity.

13 If the Illinois Department withholds payments to a vendor
14 or alternate payee under this subsection, the Department shall
15 not release those payments to the vendor or alternate payee
16 while any criminal proceeding related to the indictment or
17 charge is pending unless the Department determines that there
18 is good cause to release the payments before completion of the
19 proceeding. If the indictment or charge results in the
20 individual's conviction, the Illinois Department shall retain
21 all withheld payments, which shall be considered forfeited to
22 the Department. If the indictment or charge does not result in
23 the individual's conviction, the Illinois Department shall
24 release to the vendor or alternate payee all withheld payments.

25 (F-10) (Blank). ~~If the Illinois Department establishes~~
26 ~~that the vendor or alternate payee owes a debt to the Illinois~~

1 ~~Department, and the vendor or alternate payee subsequently~~
2 ~~fails to pay or make satisfactory payment arrangements with the~~
3 ~~Illinois Department for the debt owed, the Illinois Department~~
4 ~~may seek all remedies available under the law of this State to~~
5 ~~recover the debt, including, but not limited to, wage~~
6 ~~garnishment or the filing of claims or liens against the vendor~~
7 ~~or alternate payee.~~

8 (F-15) (Blank). ~~Enforcement of judgment.~~

9 ~~(1) Any fine, recovery amount, other sanction, or costs~~
10 ~~imposed, or part of any fine, recovery amount, other~~
11 ~~sanction, or cost imposed, remaining unpaid after the~~
12 ~~exhaustion of or the failure to exhaust judicial review~~
13 ~~procedures under the Illinois Administrative Review Law is~~
14 ~~a debt due and owing the State and may be collected using~~
15 ~~all remedies available under the law.~~

16 ~~(2) After expiration of the period in which judicial~~
17 ~~review under the Illinois Administrative Review Law may be~~
18 ~~sought for a final administrative decision, unless stayed~~
19 ~~by a court of competent jurisdiction, the findings,~~
20 ~~decision, and order of the Director may be enforced in the~~
21 ~~same manner as a judgment entered by a court of competent~~
22 ~~jurisdiction.~~

23 ~~(3) In any case in which any person or entity has~~
24 ~~failed to comply with a judgment ordering or imposing any~~
25 ~~fine or other sanction, any expenses incurred by the~~
26 ~~Illinois Department to enforce the judgment, including,~~

1 ~~but not limited to, attorney's fees, court costs, and costs~~
2 ~~related to property demolition or foreclosure, after they~~
3 ~~are fixed by a court of competent jurisdiction or the~~
4 ~~Director, shall be a debt due and owing the State and may~~
5 ~~be collected in accordance with applicable law. Prior to~~
6 ~~any expenses being fixed by a final administrative decision~~
7 ~~pursuant to this subsection (F 15), the Illinois~~
8 ~~Department shall provide notice to the individual or entity~~
9 ~~that states that the individual or entity shall appear at a~~
10 ~~hearing before the administrative hearing officer to~~
11 ~~determine whether the individual or entity has failed to~~
12 ~~comply with the judgment. The notice shall set the date for~~
13 ~~such a hearing, which shall not be less than 7 days from~~
14 ~~the date that notice is served. If notice is served by~~
15 ~~mail, the 7 day period shall begin to run on the date that~~
16 ~~the notice was deposited in the mail.~~

17 ~~(4) Upon being recorded in the manner required by~~
18 ~~Article XII of the Code of Civil Procedure or by the~~
19 ~~Uniform Commercial Code, a lien shall be imposed on the~~
20 ~~real estate or personal estate, or both, of the individual~~
21 ~~or entity in the amount of any debt due and owing the State~~
22 ~~under this Section. The lien may be enforced in the same~~
23 ~~manner as a judgment of a court of competent jurisdiction.~~
24 ~~A lien shall attach to all property and assets of such~~
25 ~~person, firm, corporation, association, agency,~~
26 ~~institution, or other legal entity until the judgment is~~

1 ~~satisfied.~~

2 ~~(5) The Director may set aside any judgment entered by~~
3 ~~default and set a new hearing date upon a petition filed at~~
4 ~~any time (i) if the petitioner's failure to appear at the~~
5 ~~hearing was for good cause, or (ii) if the petitioner~~
6 ~~established that the Department did not provide proper~~
7 ~~service of process. If any judgment is set aside pursuant~~
8 ~~to this paragraph (5), the hearing officer shall have~~
9 ~~authority to enter an order extinguishing any lien which~~
10 ~~has been recorded for any debt due and owing the Illinois~~
11 ~~Department as a result of the vacated default judgment.~~

12 (G) The provisions of the Administrative Review Law, as now
13 or hereafter amended, and the rules adopted pursuant thereto,
14 shall apply to and govern all proceedings for the judicial
15 review of final administrative decisions of the Illinois
16 Department under this Section. The term "administrative
17 decision" is defined as in Section 3-101 of the Code of Civil
18 Procedure.

19 (G-5) Non-emergency transportation ~~Vendors who pose a risk~~
20 ~~of fraud, waste, abuse, or harm.~~

21 (1) Notwithstanding any other provision in this
22 Section, for non-emergency transportation vendors, the
23 Department may terminate the vendor ~~, suspend, or exclude~~
24 ~~vendors who pose a risk of fraud, waste, abuse, or harm~~
25 from participation in the medical assistance program prior
26 to an evidentiary hearing but after reasonable notice and

1 opportunity to respond as established by the Department by
2 rule.

3 (2) Vendors of non-emergency medical transportation
4 services, as defined by the Department by rule, ~~who pose a~~
5 ~~risk of fraud, waste, abuse, or harm~~ shall submit to a
6 fingerprint-based criminal background check on current and
7 future information available in the State system and
8 current information available through the Federal Bureau
9 of Investigation's system by submitting all necessary fees
10 and information in the form and manner prescribed by the
11 Department of State Police. The following individuals
12 shall be subject to the check:

13 (A) In the case of a vendor that is a corporation,
14 every shareholder who owns, directly or indirectly, 5%
15 or more of the outstanding shares of the corporation.

16 (B) In the case of a vendor that is a partnership,
17 every partner.

18 (C) In the case of a vendor that is a sole
19 proprietorship, the sole proprietor.

20 (D) Each officer or manager of the vendor.

21 Each such vendor shall be responsible for payment of
22 the cost of the criminal background check.

23 (3) Vendors of non-emergency medical transportation
24 services ~~who pose a risk of fraud, waste, abuse, or harm~~
25 may be required to post a surety bond. The Department shall
26 establish, by rule, the criteria and requirements for

1 determining when a surety bond must be posted and the value
2 of the bond.

3 (4) The Department, or its agents, may refuse to accept
4 requests for non-emergency transportation authorizations
5 ~~authorization from specific vendors who pose a risk of~~
6 ~~fraud, waste, abuse, or harm,~~ including prior-approval and
7 post-approval requests, if:

8 (A) the Department has initiated a notice of
9 termination, ~~suspension, or exclusion~~ of the vendor
10 from participation in the medical assistance program;
11 or

12 (B) the Department has issued notification of its
13 withholding of payments pursuant to subsection (F-5)
14 of this Section; or

15 (C) the Department has issued a notification of its
16 withholding of payments due to reliable evidence of
17 fraud or willful misrepresentation pending
18 investigation.

19 (5) (Blank). ~~As used in this subsection, the following~~
20 ~~terms are defined as follows:~~

21 ~~(A) "Fraud" means an intentional deception or~~
22 ~~misrepresentation made by a person with the knowledge~~
23 ~~that the deception could result in some unauthorized~~
24 ~~benefit to himself or herself or some other person. It~~
25 ~~includes any act that constitutes fraud under~~
26 ~~applicable federal or State law.~~

1 ~~(B) "Abuse" means provider practices that are~~
2 ~~inconsistent with sound fiscal, business, or medical~~
3 ~~practices and that result in an unnecessary cost to the~~
4 ~~medical assistance program or in reimbursement for~~
5 ~~services that are not medically necessary or that fail~~
6 ~~to meet professionally recognized standards for health~~
7 ~~care. It also includes recipient practices that result~~
8 ~~in unnecessary cost to the medical assistance program.~~
9 ~~Abuse does not include diagnostic or therapeutic~~
10 ~~measures conducted primarily as a safeguard against~~
11 ~~possible vendor liability.~~

12 ~~(C) "Waste" means the unintentional misuse of~~
13 ~~medical assistance resources, resulting in unnecessary~~
14 ~~cost to the medical assistance program. Waste does not~~
15 ~~include diagnostic or therapeutic measures conducted~~
16 ~~primarily as a safeguard against possible vendor~~
17 ~~liability.~~

18 ~~(D) "Harm" means physical, mental, or monetary~~
19 ~~damage to recipients or to the medical assistance~~
20 ~~program.~~

21 (G-6) (Blank). ~~The Illinois Department, upon making a~~
22 ~~determination based upon information in the possession of the~~
23 ~~Illinois Department that continuation of participation in the~~
24 ~~medical assistance program by a vendor would constitute an~~
25 ~~immediate danger to the public, may immediately suspend such~~
26 ~~vendor's participation in the medical assistance program~~

1 ~~without a hearing. In instances in which the Illinois~~
2 ~~Department immediately suspends the medical assistance program~~
3 ~~participation of a vendor under this Section, a hearing upon~~
4 ~~the vendor's participation must be convened by the Illinois~~
5 ~~Department within 15 days after such suspension and completed~~
6 ~~without appreciable delay. Such hearing shall be held to~~
7 ~~determine whether to recommend to the Director that the~~
8 ~~vendor's medical assistance program participation be denied,~~
9 ~~terminated, suspended, placed on provisional status, or~~
10 ~~reinstated. In the hearing, any evidence relevant to the vendor~~
11 ~~constituting an immediate danger to the public may be~~
12 ~~introduced against such vendor; provided, however, that the~~
13 ~~vendor, or his or her counsel, shall have the opportunity to~~
14 ~~discredit, impeach, and submit evidence rebutting such~~
15 ~~evidence.~~

16 (H) Nothing contained in this Code shall in any way limit
17 or otherwise impair the authority or power of any State agency
18 responsible for licensing of vendors.

19 (I) Based on a finding of noncompliance on the part of a
20 nursing home with any requirement for certification under Title
21 XVIII or XIX of the Social Security Act (42 U.S.C. Sec. 1395 et
22 seq. or 42 U.S.C. Sec. 1396 et seq.), the Illinois Department
23 may impose one or more of the following remedies after notice
24 to the facility:

25 (1) Termination of the provider agreement.

26 (2) Temporary management.

- 1 (3) Denial of payment for new admissions.
- 2 (4) Civil money penalties.
- 3 (5) Closure of the facility in emergency situations or
- 4 transfer of residents, or both.
- 5 (6) State monitoring.
- 6 (7) Denial of all payments when the Health Care Finance
- 7 Administration ~~U.S. Department of Health and Human~~
- 8 ~~Services~~ has imposed this sanction.

9 The Illinois Department shall by rule establish criteria
10 governing continued payments to a nursing facility subsequent
11 to termination of the facility's provider agreement if, in the
12 sole discretion of the Illinois Department, circumstances
13 affecting the health, safety, and welfare of the facility's
14 residents require those continued payments. The Illinois
15 Department may condition those continued payments on the
16 appointment of temporary management, sale of the facility to
17 new owners or operators, or other arrangements that the
18 Illinois Department determines best serve the needs of the
19 facility's residents.

20 Except in the case of a facility that has a right to a
21 hearing on the finding of noncompliance before an agency of the
22 federal government, a facility may request a hearing before a
23 State agency on any finding of noncompliance within 60 days
24 after the notice of the intent to impose a remedy. Except in
25 the case of civil money penalties, a request for a hearing
26 shall not delay imposition of the penalty. The choice of

1 remedies is not appealable at a hearing. The level of
2 noncompliance may be challenged only in the case of a civil
3 money penalty. The Illinois Department shall provide by rule
4 for the State agency that will conduct the evidentiary
5 hearings.

6 The Illinois Department may collect interest on unpaid
7 civil money penalties.

8 The Illinois Department may adopt all rules necessary to
9 implement this subsection (I).

10 (J) The Illinois Department, by rule, may permit individual
11 practitioners to designate that Department payments that may be
12 due the practitioner be made to an alternate payee or alternate
13 payees.

14 (a) Such alternate payee or alternate payees shall be
15 required to register as an alternate payee in the Medical
16 Assistance Program with the Illinois Department.

17 (b) If a practitioner designates an alternate payee,
18 the alternate payee and practitioner shall be jointly and
19 severally liable to the Department for payments made to the
20 alternate payee. Pursuant to subsection (E) of this
21 Section, any Department action to ~~suspend or deny payment~~
22 ~~or~~ recover money or overpayments from an alternate payee
23 shall be subject to an administrative hearing.

24 (c) Registration as an alternate payee or alternate
25 payees in the Illinois Medical Assistance Program shall be
26 conditional. At any time, the Illinois Department may deny

1 or cancel any alternate payee's registration in the
2 Illinois Medical Assistance Program without cause. Any
3 such denial or cancellation is not subject to an
4 administrative hearing.

5 (d) The Illinois Department may seek a revocation of
6 any alternate payee, and all owners, officers, and
7 individuals with management responsibility for such
8 alternate payee shall be permanently prohibited from
9 participating as an owner, an officer, or an individual
10 with management responsibility with an alternate payee in
11 the Illinois Medical Assistance Program, if after
12 reasonable notice and opportunity for a hearing the
13 Illinois Department finds that:

14 (1) the alternate payee is not complying with the
15 Department's policy or rules and regulations, or with
16 the terms and conditions prescribed by the Illinois
17 Department in its alternate payee registration
18 agreement; or

19 (2) the alternate payee has failed to keep or make
20 available for inspection, audit, or copying, after
21 receiving a written request from the Illinois
22 Department, such records regarding payments claimed as
23 an alternate payee; or

24 (3) the alternate payee has failed to furnish any
25 information requested by the Illinois Department
26 regarding payments claimed as an alternate payee; or

1 (4) the alternate payee has knowingly made, or
2 caused to be made, any false statement or
3 representation of a material fact in connection with
4 the administration of the Illinois Medical Assistance
5 Program; or

6 (5) the alternate payee, a person with management
7 responsibility for an alternate payee, an officer or
8 person owning, either directly or indirectly, 5% or
9 more of the shares of stock or other evidences of
10 ownership in a corporate alternate payee, or a partner
11 in a partnership which is an alternate payee:

12 (a) was previously terminated, ~~suspended, or~~
13 ~~excluded~~ from participation as a vendor in the
14 Illinois Medical Assistance Program, or was
15 previously revoked as an alternate payee in the
16 Illinois Medical Assistance Program, or was
17 terminated, ~~suspended, or excluded~~ from
18 participation as a vendor in a medical assistance
19 program in another state that is of the same kind
20 as the program of medical assistance provided
21 under Article V of this Code; or

22 (b) was a person with management
23 responsibility for a vendor previously terminated, ~~7~~
24 ~~suspended, or excluded~~ from participation as a
25 vendor in the Illinois Medical Assistance Program,
26 or was previously revoked as an alternate payee in

1 the Illinois Medical Assistance Program, or was
2 terminated, ~~suspended, or excluded~~ from
3 participation as a vendor in a medical assistance
4 program in another state that is of the same kind
5 as the program of medical assistance provided
6 under Article V of this Code, during the time of
7 conduct which was the basis for that vendor's
8 termination, ~~suspension, or exclusion~~ or alternate
9 payee's revocation; or

10 (c) was an officer, or person owning, either
11 directly or indirectly, 5% or more of the shares of
12 stock or other evidences of ownership in a
13 corporate vendor previously terminated, ~~suspended,~~
14 ~~or excluded~~ from participation as a vendor in the
15 Illinois Medical Assistance Program, or was
16 previously revoked as an alternate payee in the
17 Illinois Medical Assistance Program, or was
18 terminated, ~~suspended, or excluded~~ from
19 participation as a vendor in a medical assistance
20 program in another state that is of the same kind
21 as the program of medical assistance provided
22 under Article V of this Code, during the time of
23 conduct which was the basis for that vendor's
24 termination, suspension, or exclusion; or

25 (d) was an owner of a sole proprietorship or
26 partner in a partnership previously terminated,

1 ~~suspended, or excluded~~ from participation as a
2 vendor in the Illinois Medical Assistance Program,
3 or was previously revoked as an alternate payee in
4 the Illinois Medical Assistance Program, or was
5 terminated, ~~suspended, or excluded~~ from
6 participation as a vendor in a medical assistance
7 program in another state that is of the same kind
8 as the program of medical assistance provided
9 under Article V of this Code, during the time of
10 conduct which was the basis for that vendor's
11 termination, ~~suspension, or exclusion~~ or alternate
12 payee's revocation; or

13 (6) the alternate payee, a person with management
14 responsibility for an alternate payee, an officer or
15 person owning, either directly or indirectly, 5% or
16 more of the shares of stock or other evidences of
17 ownership in a corporate alternate payee, or a partner
18 in a partnership which is an alternate payee:

19 (a) has engaged in conduct prohibited by
20 applicable federal or State law or regulation
21 relating to the Illinois Medical Assistance
22 Program; or

23 (b) was a person with management
24 responsibility for a vendor or alternate payee at
25 the time that the vendor or alternate payee engaged
26 in practices prohibited by applicable federal or

1 State law or regulation relating to the Illinois
2 Medical Assistance Program; or

3 (c) was an officer, or person owning, either
4 directly or indirectly, 5% or more of the shares of
5 stock or other evidences of ownership in a vendor
6 or alternate payee at the time such vendor or
7 alternate payee engaged in practices prohibited by
8 applicable federal or State law or regulation
9 relating to the Illinois Medical Assistance
10 Program; or

11 (d) was an owner of a sole proprietorship or
12 partner in a partnership which was a vendor or
13 alternate payee at the time such vendor or
14 alternate payee engaged in practices prohibited by
15 applicable federal or State law or regulation
16 relating to the Illinois Medical Assistance
17 Program; or

18 (7) the direct or indirect ownership of the vendor
19 or alternate payee (including the ownership of a vendor
20 or alternate payee that is a partner's interest in a
21 vendor or alternate payee, or ownership of 5% or more
22 of the shares of stock or other evidences of ownership
23 in a corporate vendor or alternate payee) has been
24 transferred by an individual who is terminated,
25 ~~suspended, or excluded~~ or barred from participating as
26 a vendor or is prohibited or revoked as an alternate

1 payee to the individual's spouse, child, brother,
2 sister, parent, grandparent, grandchild, uncle, aunt,
3 niece, nephew, cousin, or relative by marriage.

4 (K) The Illinois Department of Healthcare and Family
5 Services may withhold payments, in whole or in part, to a
6 provider or alternate payee upon receipt of ~~where there is~~
7 ~~credible~~ evidence, received from State or federal law
8 enforcement or federal oversight agencies or from the results
9 of a preliminary Department audit and determined by the
10 Department to be credible, that the circumstances giving rise
11 to the need for a withholding of payments may involve fraud or
12 willful misrepresentation under the Illinois Medical
13 Assistance program. The Department shall by rule define what
14 constitutes "credible" evidence for purposes of this
15 subsection. The Department may withhold payments without first
16 notifying the provider or alternate payee of its intention to
17 withhold such payments. A provider or alternate payee may
18 request a reconsideration of payment withholding, and the
19 Department must grant such a request. The Department shall
20 state by rule a process and criteria by which a provider or
21 alternate payee may request full or partial release of payments
22 withheld under this subsection. This request may be made at any
23 time after the Department first withholds such payments.

24 (a) The Illinois Department must send notice of its
25 withholding of program payments within 5 days of taking
26 such action. The notice must set forth the general

1 allegations as to the nature of the withholding action, but
2 need not disclose any specific information concerning its
3 ongoing investigation. The notice must do all of the
4 following:

5 (1) State that payments are being withheld in
6 accordance with this subsection.

7 (2) State that the withholding is for a temporary
8 period, as stated in paragraph (b) of this subsection,
9 and cite the circumstances under which withholding
10 will be terminated.

11 (3) Specify, when appropriate, which type or types
12 of Medicaid claims withholding is effective.

13 (4) Inform the provider or alternate payee of the
14 right to submit written evidence for reconsideration
15 of the withholding by the Illinois Department.

16 (5) Inform the provider or alternate payee that a
17 written request may be made to the Illinois Department
18 for full or partial release of withheld payments and
19 that such requests may be made at any time after the
20 Department first withholds such payments.

21 (b) All withholding-of-payment actions under this
22 subsection shall be temporary and shall not continue after
23 any of the following:

24 (1) The Illinois Department or the prosecuting
25 authorities determine that there is insufficient
26 evidence of fraud or willful misrepresentation by the

1 provider or alternate payee.

2 (2) Legal proceedings related to the provider's or
3 alternate payee's alleged fraud, willful
4 misrepresentation, violations of this Act, or
5 violations of the Illinois Department's administrative
6 rules are completed.

7 (3) The withholding of payments for a period of 3
8 years.

9 (c) The Illinois Department may adopt all rules
10 necessary to implement this subsection (K).

11 (K-5) (Blank). ~~The Illinois Department may withhold~~
12 ~~payments, in whole or in part, to a provider or alternate payee~~
13 ~~upon initiation of an audit, quality of care review,~~
14 ~~investigation when there is a credible allegation of fraud, or~~
15 ~~the provider or alternate payee demonstrating a clear failure~~
16 ~~to cooperate with the Illinois Department such that the~~
17 ~~circumstances give rise to the need for a withholding of~~
18 ~~payments. As used in this subsection, "credible allegation" is~~
19 ~~defined to include an allegation from any source, including,~~
20 ~~but not limited to, fraud hotline complaints, claims data~~
21 ~~mining, patterns identified through provider audits, civil~~
22 ~~actions filed under the False Claims Act, and law enforcement~~
23 ~~investigations. An allegation is considered to be credible when~~
24 ~~it has indicia of reliability. The Illinois Department may~~
25 ~~withhold payments without first notifying the provider or~~
26 ~~alternate payee of its intention to withhold such payments. A~~

1 ~~provider or alternate payee may request a hearing or a~~
2 ~~reconsideration of payment withholding, and the Illinois~~
3 ~~Department must grant such a request. The Illinois Department~~
4 ~~shall state by rule a process and criteria by which a provider~~
5 ~~or alternate payee may request a hearing or a reconsideration~~
6 ~~for the full or partial release of payments withheld under this~~
7 ~~subsection. This request may be made at any time after the~~
8 ~~Illinois Department first withholds such payments.~~

9 ~~(a) The Illinois Department must send notice of its~~
10 ~~withholding of program payments within 5 days of taking~~
11 ~~such action. The notice must set forth the general~~
12 ~~allegations as to the nature of the withholding action but~~
13 ~~need not disclose any specific information concerning its~~
14 ~~ongoing investigation. The notice must do all of the~~
15 ~~following:~~

16 ~~(1) State that payments are being withheld in~~
17 ~~accordance with this subsection.~~

18 ~~(2) State that the withholding is for a temporary~~
19 ~~period, as stated in paragraph (b) of this subsection,~~
20 ~~and cite the circumstances under which withholding~~
21 ~~will be terminated.~~

22 ~~(3) Specify, when appropriate, which type or types~~
23 ~~of claims are withheld.~~

24 ~~(4) Inform the provider or alternate payee of the~~
25 ~~right to request a hearing or a reconsideration of the~~
26 ~~withholding by the Illinois Department, including the~~

1 ~~ability to submit written evidence.~~

2 ~~(5) Inform the provider or alternate payee that a~~
3 ~~written request may be made to the Illinois Department~~
4 ~~for a hearing or a reconsideration for the full or~~
5 ~~partial release of withheld payments and that such~~
6 ~~requests may be made at any time after the Illinois~~
7 ~~Department first withholds such payments.~~

8 ~~(b) All withholding of payment actions under this~~
9 ~~subsection shall be temporary and shall not continue after~~
10 ~~any of the following:~~

11 ~~(1) The Illinois Department determines that there~~
12 ~~is insufficient evidence of fraud, or the provider or~~
13 ~~alternate payee demonstrates clear cooperation with~~
14 ~~the Illinois Department, as determined by the Illinois~~
15 ~~Department, such that the circumstances do not give~~
16 ~~rise to the need for withholding of payments; or~~

17 ~~(2) The withholding of payments has lasted for a~~
18 ~~period in excess of 3 years.~~

19 ~~(c) The Illinois Department may adopt all rules~~
20 ~~necessary to implement this subsection (K-5).~~

21 (L) (Blank). ~~The Illinois Department shall establish a~~
22 ~~protocol to enable health care providers to disclose an actual~~
23 ~~or potential violation of this Section pursuant to a~~
24 ~~self-referral disclosure protocol, referred to in this~~
25 ~~subsection as "the protocol". The protocol shall include~~
26 ~~direction for health care providers on a specific person,~~

1 ~~official, or office to whom such disclosures shall be made. The~~
2 ~~Illinois Department shall post information on the protocol on~~
3 ~~the Illinois Department's public website. The Illinois~~
4 ~~Department may adopt rules necessary to implement this~~
5 ~~subsection (L). In addition to other factors that the Illinois~~
6 ~~Department finds appropriate, the Illinois Department may~~
7 ~~consider a health care provider's timely use or failure to use~~
8 ~~the protocol in considering the provider's failure to comply~~
9 ~~with this Code.~~

10 (M) (Blank). ~~Notwithstanding any other provision of this~~
11 ~~Code, the Illinois Department, at its discretion, may exempt an~~
12 ~~entity licensed under the Nursing Home Care Act and the ID/DD~~
13 ~~Community Care Act from the provisions of subsections (A-15),~~
14 ~~(B), and (C) of this Section if the licensed entity is in~~
15 ~~receivership.~~

16 (Source: P.A. 97-689, eff. 6-14-12; revised 8-3-12.)

17 (305 ILCS 5/12-4.38)

18 Sec. 12-4.38. Special FamilyCare provisions.

19 (a) The Department of Healthcare and Family Services may
20 submit to the Comptroller, and the Comptroller is authorized to
21 pay, on behalf of persons enrolled in the FamilyCare Program,
22 claims for services rendered to an enrollee during the period
23 beginning October 1, 2007, and ending on the effective date of
24 any rules adopted to implement the provisions of this
25 amendatory Act of the 96th General Assembly. The authorization

1 for payment of claims applies only to bona fide claims for
2 payment for services rendered. Any claim for payment which is
3 authorized pursuant to the provisions of this amendatory Act of
4 the 96th General Assembly must adhere to all other applicable
5 rules, regulations, and requirements.

6 (b) Each person enrolled in the FamilyCare Program as of
7 the effective date of this amendatory Act of the 97th General
8 Assembly whose income exceeds 185% of the Federal Poverty
9 Level, but is not more than 400% of the Federal Poverty Level,
10 may remain enrolled in the FamilyCare Program pursuant to this
11 subsection so long as that person continues to meet the
12 eligibility criteria established under the emergency rule at 89
13 Ill. Adm. Code 120 (Illinois Register Volume 31, page 15854)
14 filed November 7, 2007. In no case may a person continue to be
15 enrolled in the FamilyCare Program pursuant to this subsection
16 if the person's income rises above 400% of the Federal Poverty
17 Level or falls below 185% of the Federal Poverty Level at any
18 subsequent time. Nothing contained in this subsection shall
19 prevent an individual from enrolling in the FamilyCare Program
20 as authorized by paragraph 15 of Section 5-2 of this Code if he
21 or she otherwise qualifies under that Section.

22 (c) In implementing the provisions of this amendatory Act
23 of the 97th General Assembly, the Department of Healthcare and
24 Family Services is authorized to adopt only those rules
25 necessary, including emergency rules. Nothing in this
26 amendatory Act of the 97th General Assembly permits the

1 Department to adopt rules or issue a decision that expands
2 eligibility for the FamilyCare Program to a person whose income
3 exceeds 185% of the Federal Poverty Level as determined from
4 time to time by the U.S. Department of Health and Human
5 Services, unless the Department is provided with express
6 statutory authority.

7 (Source: P.A. 96-20, eff. 6-30-09; 97-689, eff. 6-14-12.)

8 (305 ILCS 5/12-4.39)

9 Sec. 12-4.39. Dental clinic grant program.

10 (a) Grant program. Subject ~~On and after July 1, 2012, and~~
11 ~~subject~~ to funding availability, the Department of Healthcare
12 and Family Services shall ~~may~~ administer a grant program. The
13 purpose of this grant program shall be to build the public
14 infrastructure for dental care and to make grants to local
15 health departments, federally qualified health clinics
16 (FQHCs), and rural health clinics (RHCs) for development of
17 comprehensive dental clinics for dental care services. The
18 primary purpose of these new dental clinics will be to increase
19 dental access for low-income and Department of Healthcare and
20 Family Services clients who have no dental arrangements with a
21 dental provider in a project's service area. The dental clinic
22 must be willing to accept out-of-area clients who need dental
23 services, including emergency services for adults and Early and
24 Periodic Screening, Diagnosis and Treatment (EPSDT)-referral
25 children. Medically Underserved Areas (MUAs) and Health

1 Professional Shortage Areas (HPSAs) shall receive special
2 priority for grants under this program.

3 (b) Eligible applicants. The following entities are
4 eligible to apply for grants:

5 (1) Local health departments.

6 (2) Federally Qualified Health Centers (FQHCs).

7 (3) Rural health clinics (RHCs).

8 (c) Use of grant moneys. Grant moneys must be used to
9 support projects that develop dental services to meet the
10 dental health care needs of Department of Healthcare and Family
11 Services Dental Program clients. Grant moneys must be used for
12 operating expenses, including, but not limited to: insurance;
13 dental supplies and equipment; dental support services; and
14 renovation expenses. Grant moneys may not be used to offset
15 existing indebtedness, supplant existing funds, purchase real
16 property, or pay for personnel service salaries for dental
17 employees.

18 (d) Application process. The Department shall establish
19 procedures for applying for dental clinic grants.

20 (Source: P.A. 96-67, eff. 7-23-09; 96-1000, eff. 7-2-10;
21 97-689, eff. 6-14-12.)

22 (305 ILCS 5/12-9) (from Ch. 23, par. 12-9)

23 Sec. 12-9. Public Aid Recoveries Trust Fund; uses. The
24 Public Aid Recoveries Trust Fund shall consist of (1)
25 recoveries by the Department of Healthcare and Family Services

1 (formerly Illinois Department of Public Aid) authorized by this
2 Code in respect to applicants or recipients under Articles III,
3 IV, V, and VI, including recoveries made by the Department of
4 Healthcare and Family Services (formerly Illinois Department
5 of Public Aid) from the estates of deceased recipients, (2)
6 recoveries made by the Department of Healthcare and Family
7 Services (formerly Illinois Department of Public Aid) in
8 respect to applicants and recipients under the Children's
9 Health Insurance Program Act, ~~and~~ the Covering ALL KIDS Health
10 Insurance Act, and the Senior Citizens and Disabled Persons
11 Property Tax Relief and Pharmaceutical Assistance Act, (3)
12 federal funds received on behalf of and earned by State
13 universities and local governmental entities for services
14 provided to applicants or recipients covered under this Code,
15 the Children's Health Insurance Program Act, ~~and~~ the Covering
16 ALL KIDS Health Insurance Act, and the Senior Citizens and
17 Disabled Persons Property Tax Relief and Pharmaceutical
18 Assistance Act, (3.5) federal financial participation revenue
19 related to eligible disbursements made by the Department of
20 Healthcare and Family Services from appropriations required by
21 this Section, and (4) all other moneys received to the Fund,
22 including interest thereon. The Fund shall be held as a special
23 fund in the State Treasury.

24 Disbursements from this Fund shall be only (1) for the
25 reimbursement of claims collected by the Department of
26 Healthcare and Family Services (formerly Illinois Department

1 of Public Aid) through error or mistake, (2) for payment to
2 persons or agencies designated as payees or co-payees on any
3 instrument, whether or not negotiable, delivered to the
4 Department of Healthcare and Family Services (formerly
5 Illinois Department of Public Aid) as a recovery under this
6 Section, such payment to be in proportion to the respective
7 interests of the payees in the amount so collected, (3) for
8 payments to the Department of Human Services for collections
9 made by the Department of Healthcare and Family Services
10 (formerly Illinois Department of Public Aid) on behalf of the
11 Department of Human Services under this Code, the Children's
12 Health Insurance Program Act, and the Covering ALL KIDS Health
13 Insurance Act, (4) for payment of administrative expenses
14 incurred in performing the activities authorized under this
15 Code, the Children's Health Insurance Program Act, ~~and~~ the
16 Covering ALL KIDS Health Insurance Act, and the Senior Citizens
17 and Disabled Persons Property Tax Relief and Pharmaceutical
18 Assistance Act, (5) for payment of fees to persons or agencies
19 in the performance of activities pursuant to the collection of
20 monies owed the State that are collected under this Code, the
21 Children's Health Insurance Program Act, and the Covering ALL
22 KIDS Health Insurance Act, (6) for payments of any amounts
23 which are reimbursable to the federal government which are
24 required to be paid by State warrant by either the State or
25 federal government, and (7) for payments to State universities
26 and local governmental entities of federal funds for services

1 provided to applicants or recipients covered under this Code,
2 the Children's Health Insurance Program Act, ~~and~~ the Covering
3 ALL KIDS Health Insurance Act, and the Senior Citizens and
4 Disabled Persons Property Tax Relief and Pharmaceutical
5 Assistance Act. Disbursements from this Fund for purposes of
6 items (4) and (5) of this paragraph shall be subject to
7 appropriations from the Fund to the Department of Healthcare
8 and Family Services (formerly Illinois Department of Public
9 Aid).

10 The balance in this Fund on the first day of each calendar
11 quarter, after payment therefrom of any amounts reimbursable to
12 the federal government, and minus the amount reasonably
13 anticipated to be needed to make the disbursements during that
14 quarter authorized by this Section, shall be certified by the
15 Director of Healthcare and Family Services and transferred by
16 the State Comptroller to the Drug Rebate Fund or the Healthcare
17 Provider Relief Fund in the State Treasury, as appropriate,
18 within 30 days of the first day of each calendar quarter. The
19 Director of Healthcare and Family Services may certify and the
20 State Comptroller shall transfer to the Drug Rebate Fund
21 amounts on a more frequent basis.

22 On July 1, 1999, the State Comptroller shall transfer the
23 sum of \$5,000,000 from the Public Aid Recoveries Trust Fund
24 (formerly the Public Assistance Recoveries Trust Fund) into the
25 DHS Recoveries Trust Fund.

26 (Source: P.A. 96-1100, eff. 1-1-11; 97-647, eff. 1-1-12;

1 97-689, eff. 6-14-12.)

2 (305 ILCS 5/12-10.5)

3 Sec. 12-10.5. Medical Special Purposes Trust Fund.

4 (a) The Medical Special Purposes Trust Fund ("the Fund") is
5 created. Any grant, gift, donation, or legacy of money or
6 securities that the Department of Healthcare and Family
7 Services is authorized to receive under Section 12-4.18 or
8 Section 12-4.19 ~~or any monies from any other source~~, and that
9 is ~~are~~ dedicated for functions connected with the
10 administration of any medical program administered by the
11 Department, shall be deposited into the Fund. All federal
12 moneys received by the Department as reimbursement for
13 disbursements authorized to be made from the Fund shall also be
14 deposited into the Fund. In addition, federal moneys received
15 on account of State expenditures made in connection with
16 obtaining compliance with the federal Health Insurance
17 Portability and Accountability Act (HIPAA) shall be deposited
18 into the Fund.

19 (b) No moneys received from a service provider or a
20 governmental or private entity that is enrolled with the
21 Department as a provider of medical services shall be deposited
22 into the Fund.

23 (c) Disbursements may be made from the Fund for the
24 purposes connected with the grants, gifts, donations, or
25 legacies, ~~or other monies~~ deposited into the Fund, including,

1 but not limited to, medical quality assessment projects,
2 eligibility population studies, medical information systems
3 evaluations, and other administrative functions that assist
4 the Department in fulfilling its health care mission under any
5 medical program administered by the Department.

6 (Source: P.A. 97-48, eff. 6-28-11; 97-689, eff. 6-14-12.)

7 (305 ILCS 5/12-13.1)

8 Sec. 12-13.1. Inspector General.

9 (a) The Governor shall appoint, and the Senate shall
10 confirm, an Inspector General who shall function within the
11 Illinois Department of Public Aid (now Healthcare and Family
12 Services) and report to the Governor. The term of the Inspector
13 General shall expire on the third Monday of January, 1997 and
14 every 4 years thereafter.

15 (b) In order to prevent, detect, and eliminate fraud,
16 waste, abuse, mismanagement, and misconduct, the Inspector
17 General shall oversee the Department of Healthcare and Family
18 Services' integrity functions, which include, but are not
19 limited to, the following:

20 (1) Investigation of misconduct by employees, vendors,
21 contractors and medical providers, except for allegations
22 of violations of the State Officials and Employees Ethics
23 Act which shall be referred to the Office of the Governor's
24 Executive Inspector General for investigation.

25 (2) Audits ~~Prepayment and post payment audits~~ of

1 medical providers related to ensuring that appropriate
2 payments are made for services rendered and to the
3 ~~prevention and~~ recovery of overpayments.

4 (3) Monitoring of quality assurance programs generally
5 related to the medical assistance program and specifically
6 related to any managed care program administered by the
7 ~~Department of Healthcare and Family Services.~~

8 (4) Quality control measurements of the programs
9 administered by the Department of Healthcare and Family
10 Services.

11 (5) Investigations of fraud or intentional program
12 violations committed by clients of the Department of
13 Healthcare and Family Services.

14 (6) Actions initiated against contractors, ~~vendors,~~ or
15 medical providers for any of the following reasons:

16 (A) Violations of the medical assistance program.

17 (B) Sanctions against providers brought in
18 conjunction with the Department of Public Health or the
19 Department of Human Services (as successor to the
20 Department of Mental Health and Developmental
21 Disabilities).

22 (C) Recoveries of assessments against hospitals
23 and long-term care facilities.

24 (D) Sanctions mandated by the United States
25 Department of Health and Human Services against
26 medical providers.

1 (E) Violations of contracts related to any managed
2 care programs ~~programs administered by the Department~~
3 ~~of Healthcare and Family Services.~~

4 (7) Representation of the Department of Healthcare and
5 Family Services at hearings with the Illinois Department of
6 ~~Financial and~~ Professional Regulation in actions taken
7 against professional licenses held by persons who are in
8 violation of orders for child support payments.

9 (b-5) At the request of the Secretary of Human Services,
10 the Inspector General shall, in relation to any function
11 performed by the Department of Human Services as successor to
12 the Department of Public Aid, exercise one or more of the
13 powers provided under this Section as if those powers related
14 to the Department of Human Services; in such matters, the
15 Inspector General shall report his or her findings to the
16 Secretary of Human Services.

17 (c) ~~The Notwithstanding, and in addition to, any other~~
18 ~~provision of law, the~~ Inspector General shall have access to
19 all information, personnel and facilities of the Department of
20 Healthcare and Family Services and the Department of Human
21 Services (as successor to the Department of Public Aid), their
22 employees, vendors, contractors and medical providers and any
23 federal, State or local governmental agency that are necessary
24 to perform the duties of the Office as directly related to
25 public assistance programs administered by those departments.
26 No medical provider shall be compelled, however, to provide

1 individual medical records of patients who are not clients of
2 the Medical Assistance Program ~~programs administered by the~~
3 ~~Department of Healthcare and Family Services~~. State and local
4 governmental agencies are authorized and directed to provide
5 the requested information, assistance or cooperation.

6 ~~For purposes of enhanced program integrity functions and~~
7 ~~oversight, and to the extent consistent with applicable~~
8 ~~information and privacy, security, and disclosure laws, State~~
9 ~~agencies and departments shall provide the Office of Inspector~~
10 ~~General access to confidential and other information and data,~~
11 ~~and the Inspector General is authorized to enter into~~
12 ~~agreements with appropriate federal agencies and departments~~
13 ~~to secure similar data. This includes, but is not limited to,~~
14 ~~information pertaining to: licensure; certification; earnings;~~
15 ~~immigration status; citizenship; wage reporting; unearned and~~
16 ~~earned income; pension income; employment; supplemental~~
17 ~~security income; social security numbers; National Provider~~
18 ~~Identifier (NPI) numbers; the National Practitioner Data Bank~~
19 ~~(NPDB); program and agency exclusions; taxpayer identification~~
20 ~~numbers; tax delinquency; corporate information; and death~~
21 ~~records.~~

22 ~~The Inspector General shall enter into agreements with~~
23 ~~State agencies and departments, and is authorized to enter into~~
24 ~~agreements with federal agencies and departments, under which~~
25 ~~such agencies and departments shall share data necessary for~~
26 ~~medical assistance program integrity functions and oversight.~~

1 ~~The Inspector General shall enter into agreements with State~~
2 ~~agencies and departments, and is authorized to enter into~~
3 ~~agreements with federal agencies and departments, under which~~
4 ~~such agencies shall share data necessary for recipient and~~
5 ~~vendor screening, review, and investigation, including but not~~
6 ~~limited to vendor payment and recipient eligibility~~
7 ~~verification. The Inspector General shall develop, in~~
8 ~~cooperation with other State and federal agencies and~~
9 ~~departments, and in compliance with applicable federal laws and~~
10 ~~regulations, appropriate and effective methods to share such~~
11 ~~data. The Inspector General shall enter into agreements with~~
12 ~~State agencies and departments, and is authorized to enter into~~
13 ~~agreements with federal agencies and departments, including,~~
14 ~~but not limited to: the Secretary of State; the Department of~~
15 ~~Revenue; the Department of Public Health; the Department of~~
16 ~~Human Services; and the Department of Financial and~~
17 ~~Professional Regulation.~~

18 ~~The Inspector General shall have the authority to deny~~
19 ~~payment, prevent overpayments, and recover overpayments.~~

20 ~~The Inspector General shall have the authority to deny or~~
21 ~~suspend payment to, and deny, terminate, or suspend the~~
22 ~~eligibility of, any vendor who fails to grant the Inspector~~
23 ~~General timely access to full and complete records, including~~
24 ~~records of recipients under the medical assistance program for~~
25 ~~the most recent 6 years, in accordance with Section 140.28 of~~
26 ~~Title 89 of the Illinois Administrative Code, and other~~

1 ~~information for the purpose of audits, investigations, or other~~
2 ~~program integrity functions, after reasonable written request~~
3 ~~by the Inspector General.~~

4 (d) The Inspector General shall serve as the Department of
5 Healthcare and Family Services' primary liaison with law
6 enforcement, investigatory and prosecutorial agencies,
7 including but not limited to the following:

8 (1) The Department of State Police.

9 (2) The Federal Bureau of Investigation and other
10 federal law enforcement agencies.

11 (3) The various Inspectors General of federal agencies
12 overseeing the programs administered by the Department of
13 Healthcare and Family Services.

14 (4) The various Inspectors General of any other State
15 agencies with responsibilities for portions of programs
16 primarily administered by the Department of Healthcare and
17 Family Services.

18 (5) The Offices of the several United States Attorneys
19 in Illinois.

20 (6) The several State's Attorneys.

21 (7) (Blank). ~~The offices of the Centers for Medicare~~
22 ~~and Medicaid Services that administer the Medicare and~~
23 ~~Medicaid integrity programs.~~

24 The Inspector General shall meet on a regular basis with
25 these entities to share information regarding possible
26 misconduct by any persons or entities involved with the public

1 aid programs administered by the Department of Healthcare and
2 Family Services.

3 (e) All investigations conducted by the Inspector General
4 shall be conducted in a manner that ensures the preservation of
5 evidence for use in criminal prosecutions. If the Inspector
6 General determines that a possible criminal act relating to
7 fraud in the provision or administration of the medical
8 assistance program has been committed, the Inspector General
9 shall immediately notify the Medicaid Fraud Control Unit. If
10 the Inspector General determines that a possible criminal act
11 has been committed within the jurisdiction of the Office, the
12 Inspector General may request the special expertise of the
13 Department of State Police. The Inspector General may present
14 for prosecution the findings of any criminal investigation to
15 the Office of the Attorney General, the Offices of the several
16 United States Attorneys in Illinois or the several State's
17 Attorneys.

18 (f) To carry out his or her duties as described in this
19 Section, the Inspector General and his or her designees shall
20 have the power to compel by subpoena the attendance and
21 testimony of witnesses and the production of books, electronic
22 records and papers as directly related to public assistance
23 programs administered by the Department of Healthcare and
24 Family Services or the Department of Human Services (as
25 successor to the Department of Public Aid). No medical provider
26 shall be compelled, however, to provide individual medical

1 records of patients who are not clients of the Medical
2 Assistance Program.

3 (g) The Inspector General shall report all convictions,
4 terminations, and suspensions taken against vendors,
5 contractors and medical providers to the Department of
6 Healthcare and Family Services and to any agency responsible
7 for licensing or regulating those persons or entities.

8 (h) The Inspector General shall make annual reports,
9 findings, and recommendations regarding the Office's
10 investigations into reports of fraud, waste, abuse,
11 mismanagement, or misconduct relating to any public aid
12 programs administered by the Department of Healthcare and
13 Family Services or the Department of Human Services (as
14 successor to the Department of Public Aid) to the General
15 Assembly and the Governor. These reports shall include, but not
16 be limited to, the following information:

17 (1) Aggregate provider billing and payment
18 information, including the number of providers at various
19 Medicaid earning levels.

20 (2) The number of audits of the medical assistance
21 program and the dollar savings resulting from those audits.

22 (3) The number of prescriptions rejected annually
23 under the Department of Healthcare and Family Services'
24 Refill Too Soon program and the dollar savings resulting
25 from that program.

26 (4) Provider sanctions, in the aggregate, including

1 terminations and suspensions.

2 (5) A detailed summary of the investigations
3 undertaken in the previous fiscal year. These summaries
4 shall comply with all laws and rules regarding maintaining
5 confidentiality in the public aid programs.

6 (i) Nothing in this Section shall limit investigations by
7 the Department of Healthcare and Family Services or the
8 Department of Human Services that may otherwise be required by
9 law or that may be necessary in their capacity as the central
10 administrative authorities responsible for administration of
11 public aid ~~their agency's~~ programs in this State.

12 (j) The Inspector General may issue shields or other
13 distinctive identification to his or her employees not
14 exercising the powers of a peace officer if the Inspector
15 General determines that a shield or distinctive identification
16 is needed by an employee to carry out his or her
17 responsibilities.

18 (Source: P.A. 96-555, eff. 8-18-09; 96-1316, eff. 1-1-11;
19 97-689, eff. 6-14-12.)

20 (305 ILCS 5/14-8) (from Ch. 23, par. 14-8)

21 Sec. 14-8. Disbursements to Hospitals.

22 (a) For inpatient hospital services rendered on and after
23 September 1, 1991, the Illinois Department shall reimburse
24 hospitals for inpatient services at an inpatient payment rate
25 calculated for each hospital based upon the Medicare

1 Prospective Payment System as set forth in Sections 1886(b),
2 (d), (g), and (h) of the federal Social Security Act, and the
3 regulations, policies, and procedures promulgated thereunder,
4 except as modified by this Section. Payment rates for inpatient
5 hospital services rendered on or after September 1, 1991 and on
6 or before September 30, 1992 shall be calculated using the
7 Medicare Prospective Payment rates in effect on September 1,
8 1991. Payment rates for inpatient hospital services rendered on
9 or after October 1, 1992 and on or before March 31, 1994 shall
10 be calculated using the Medicare Prospective Payment rates in
11 effect on September 1, 1992. Payment rates for inpatient
12 hospital services rendered on or after April 1, 1994 shall be
13 calculated using the Medicare Prospective Payment rates
14 (including the Medicare grouping methodology and weighting
15 factors as adjusted pursuant to paragraph (1) of this
16 subsection) in effect 90 days prior to the date of admission.
17 For services rendered on or after July 1, 1995, the
18 reimbursement methodology implemented under this subsection
19 shall not include those costs referred to in Sections
20 1886(d)(5)(B) and 1886(h) of the Social Security Act. The
21 additional payment amounts required under Section
22 1886(d)(5)(F) of the Social Security Act, for hospitals serving
23 a disproportionate share of low-income or indigent patients,
24 are not required under this Section. For hospital inpatient
25 services rendered on or after July 1, 1995, the Illinois
26 Department shall reimburse hospitals using the relative

1 weighting factors and the base payment rates calculated for
2 each hospital that were in effect on June 30, 1995, less the
3 portion of such rates attributed by the Illinois Department to
4 the cost of medical education.

5 (1) The weighting factors established under Section
6 1886(d)(4) of the Social Security Act shall not be used in
7 the reimbursement system established under this Section.
8 Rather, the Illinois Department shall establish by rule
9 Medicaid weighting factors to be used in the reimbursement
10 system established under this Section.

11 (2) The Illinois Department shall define by rule those
12 hospitals or distinct parts of hospitals that shall be
13 exempt from the reimbursement system established under
14 this Section. In defining such hospitals, the Illinois
15 Department shall take into consideration those hospitals
16 exempt from the Medicare Prospective Payment System as of
17 September 1, 1991. For hospitals defined as exempt under
18 this subsection, the Illinois Department shall by rule
19 establish a reimbursement system for payment of inpatient
20 hospital services rendered on and after September 1, 1991.
21 For all hospitals that are children's hospitals as defined
22 in Section 5-5.02 of this Code, the reimbursement
23 methodology shall, through June 30, 1992, net of all
24 applicable fees, at least equal each children's hospital
25 1990 ICARE payment rates, indexed to the current year by
26 application of the DRI hospital cost index from 1989 to the

1 year in which payments are made. Excepting county providers
2 as defined in Article XV of this Code, hospitals licensed
3 under the University of Illinois Hospital Act, and
4 facilities operated by the Department of Mental Health and
5 Developmental Disabilities (or its successor, the
6 Department of Human Services) for hospital inpatient
7 services rendered on or after July 1, 1995, the Illinois
8 Department shall reimburse children's hospitals, as
9 defined in 89 Illinois Administrative Code Section
10 149.50(c)(3), at the rates in effect on June 30, 1995, and
11 shall reimburse all other hospitals at the rates in effect
12 on June 30, 1995, less the portion of such rates attributed
13 by the Illinois Department to the cost of medical
14 education. For inpatient hospital services provided on or
15 after August 1, 1998, the Illinois Department may establish
16 by rule a means of adjusting the rates of children's
17 hospitals, as defined in 89 Illinois Administrative Code
18 Section 149.50(c)(3), that did not meet that definition on
19 June 30, 1995, in order for the inpatient hospital rates of
20 such hospitals to take into account the average inpatient
21 hospital rates of those children's hospitals that did meet
22 the definition of children's hospitals on June 30, 1995.

23 (3) (Blank) .

24 (4) Notwithstanding any other provision of this
25 Section, hospitals that on August 31, 1991, have a contract
26 with the Illinois Department under Section 3-4 of the

1 Illinois Health Finance Reform Act may elect to continue to
2 be reimbursed at rates stated in such contracts for general
3 and specialty care.

4 (5) In addition to any payments made under this
5 subsection (a), the Illinois Department shall make the
6 adjustment payments required by Section 5-5.02 of this
7 Code; provided, that in the case of any hospital reimbursed
8 under a per case methodology, the Illinois Department shall
9 add an amount equal to the product of the hospital's
10 average length of stay, less one day, multiplied by 20, for
11 inpatient hospital services rendered on or after September
12 1, 1991 and on or before September 30, 1992.

13 (b) (Blank) .

14 (b-5) Excepting county providers as defined in Article XV
15 of this Code, hospitals licensed under the University of
16 Illinois Hospital Act, and facilities operated by the Illinois
17 Department of Mental Health and Developmental Disabilities (or
18 its successor, the Department of Human Services), for
19 outpatient services rendered on or after July 1, 1995 and
20 before July 1, 1998 the Illinois Department shall reimburse
21 children's hospitals, as defined in the Illinois
22 Administrative Code Section 149.50(c)(3), at the rates in
23 effect on June 30, 1995, less that portion of such rates
24 attributed by the Illinois Department to the outpatient
25 indigent volume adjustment and shall reimburse all other
26 hospitals at the rates in effect on June 30, 1995, less the

1 portions of such rates attributed by the Illinois Department to
2 the cost of medical education and attributed by the Illinois
3 Department to the outpatient indigent volume adjustment. For
4 outpatient services provided on or after July 1, 1998,
5 reimbursement rates shall be established by rule.

6 (c) In addition to any other payments under this Code, the
7 Illinois Department shall develop a hospital disproportionate
8 share reimbursement methodology that, effective July 1, 1991,
9 through September 30, 1992, shall reimburse hospitals
10 sufficiently to expend the fee monies described in subsection
11 (b) of Section 14-3 of this Code and the federal matching funds
12 received by the Illinois Department as a result of expenditures
13 made by the Illinois Department as required by this subsection
14 (c) and Section 14-2 that are attributable to fee monies
15 deposited in the Fund, less amounts applied to adjustment
16 payments under Section 5-5.02.

17 (d) Critical Care Access Payments.

18 (1) In addition to any other payments made under this
19 Code, the Illinois Department shall develop a
20 reimbursement methodology that shall reimburse Critical
21 Care Access Hospitals for the specialized services that
22 qualify them as Critical Care Access Hospitals. No
23 adjustment payments shall be made under this subsection on
24 or after July 1, 1995.

25 (2) "Critical Care Access Hospitals" includes, but is
26 not limited to, hospitals that meet at least one of the

1 following criteria:

2 (A) Hospitals located outside of a metropolitan
3 statistical area that are designated as Level II
4 Perinatal Centers and that provide a disproportionate
5 share of perinatal services to recipients; or

6 (B) Hospitals that are designated as Level I Trauma
7 Centers (adult or pediatric) and certain Level II
8 Trauma Centers as determined by the Illinois
9 Department; or

10 (C) Hospitals located outside of a metropolitan
11 statistical area and that provide a disproportionate
12 share of obstetrical services to recipients.

13 (e) Inpatient high volume adjustment. For hospital
14 inpatient services, effective with rate periods beginning on or
15 after October 1, 1993, in addition to rates paid for inpatient
16 services by the Illinois Department, the Illinois Department
17 shall make adjustment payments for inpatient services
18 furnished by Medicaid high volume hospitals. The Illinois
19 Department shall establish by rule criteria for qualifying as a
20 Medicaid high volume hospital and shall establish by rule a
21 reimbursement methodology for calculating these adjustment
22 payments to Medicaid high volume hospitals. No adjustment
23 payment shall be made under this subsection for services
24 rendered on or after July 1, 1995.

25 (f) The Illinois Department shall modify its current rules
26 governing adjustment payments for targeted access, critical

1 care access, and uncompensated care to classify those
2 adjustment payments as not being payments to disproportionate
3 share hospitals under Title XIX of the federal Social Security
4 Act. Rules adopted under this subsection shall not be effective
5 with respect to services rendered on or after July 1, 1995. The
6 Illinois Department has no obligation to adopt or implement any
7 rules or make any payments under this subsection for services
8 rendered on or after July 1, 1995.

9 (f-5) The State recognizes that adjustment payments to
10 hospitals providing certain services or incurring certain
11 costs may be necessary to assure that recipients of medical
12 assistance have adequate access to necessary medical services.
13 These adjustments include payments for teaching costs and
14 uncompensated care, trauma center payments, rehabilitation
15 hospital payments, perinatal center payments, obstetrical care
16 payments, targeted access payments, Medicaid high volume
17 payments, and outpatient indigent volume payments. On or before
18 April 1, 1995, the Illinois Department shall issue
19 recommendations regarding (i) reimbursement mechanisms or
20 adjustment payments to reflect these costs and services,
21 including methods by which the payments may be calculated and
22 the method by which the payments may be financed, and (ii)
23 reimbursement mechanisms or adjustment payments to reflect
24 costs and services of federally qualified health centers with
25 respect to recipients of medical assistance.

26 (g) If one or more hospitals file suit in any court

1 challenging any part of this Article XIV, payments to hospitals
2 under this Article XIV shall be made only to the extent that
3 sufficient monies are available in the Fund and only to the
4 extent that any monies in the Fund are not prohibited from
5 disbursement under any order of the court.

6 (h) Payments under the disbursement methodology described
7 in this Section are subject to approval by the federal
8 government in an appropriate State plan amendment.

9 (i) The Illinois Department may by rule establish criteria
10 for and develop methodologies for adjustment payments to
11 hospitals participating under this Article.

12 (j) Hospital Residing Long Term Care Services. In addition
13 to any other payments made under this Code, the Illinois
14 Department may by rule establish criteria and develop
15 methodologies for payments to hospitals for Hospital Residing
16 Long Term Care Services.

17 (k) Critical Access Hospital outpatient payments. In
18 addition to any other payments authorized under this Code, the
19 Illinois Department shall reimburse critical access hospitals,
20 as designated by the Illinois Department of Public Health in
21 accordance with 42 CFR 485, Subpart F, for outpatient services
22 at an amount that is no less than the cost of providing such
23 services, based on Medicare cost principles. Payments under
24 this subsection shall be subject to appropriation.

25 (l) (Blank). ~~On and after July 1, 2012, the Department~~
26 ~~shall reduce any rate of reimbursement for services or other~~

1 ~~payments or alter any methodologies authorized by this Code to~~
2 ~~reduce any rate of reimbursement for services or other payments~~
3 ~~in accordance with Section 5-5e.~~

4 (Source: P.A. 96-1382, eff. 1-1-11; 97-689, eff. 6-14-12;
5 revised 8-3-12.)

6 (305 ILCS 5/15-1) (from Ch. 23, par. 15-1)

7 Sec. 15-1. Definitions. As used in this Article, unless the
8 context requires otherwise:

9 (a) "Base amount" means \$108,800,000 multiplied by a
10 fraction, the numerator of which is the number of days
11 represented by the payments in question and the denominator of
12 which is 365. ~~(Blank).~~

13 (a-5) "County provider" means a health care provider that
14 is, or is operated by, a county with a population greater than
15 3,000,000.

16 (b) "Fund" means the County Provider Trust Fund.

17 (c) "Hospital" or "County hospital" means a hospital, as
18 defined in Section 14-1 of this Code, which is a county
19 hospital located in a county of over 3,000,000 population.

20 (Source: P.A. 97-687, eff. 6-14-12; 97-689, eff. 6-14-12.)

21 (305 ILCS 5/5-2b rep.)

22 (305 ILCS 5/5-2.1d rep.)

23 (305 ILCS 5/5-5e rep.)

24 305 ILCS 5/5-5e.1 rep.)

1 (305 ILCS 5/5-5f rep.)

2 (305 ILCS 5/5A-15 rep.)

3 (305 ILCS 5/11-5.2 rep.)

4 (305 ILCS 5/11-5.3 rep.)

5 (305 ILCS 5/14-11 rep.)

6 Section 2-76. The Illinois Public Aid Code is amended by
7 repealing Sections 5-2b, 5-2.1d, 5-5e, 5-5e.1, 5-5f, 5A-15,
8 11-5.2, 11-5.3, and 14-11.

9 (305 ILCS 60/3 rep.)

10 Section 2-85. The Pediatric Palliative Care Act is amended
11 by repealing Section 3.

12 Section 2-90. The Senior Citizens and Disabled Persons
13 Property Tax Relief Act is amended by changing the title of the
14 Act and Sections 1, 1.5, 2, 3.05a, 3.10, 4, 4.05, 5, 6, 7, 8, 9,
15 12, and 13 and by adding Section 4.2 as follows:

16 (320 ILCS 25/Act title)

17 An Act in relation to the payment of grants to enable the
18 elderly and the disabled to acquire or retain private housing
19 and to acquire prescription drugs.

20 (320 ILCS 25/1) (from Ch. 67 1/2, par. 401)

21 Sec. 1. Short title; common name. This Article shall be
22 known and may be cited as the Senior Citizens and Disabled

1 Persons Property Tax Relief and Pharmaceutical Assistance Act.
2 Common references to the "Circuit Breaker Act" mean this
3 Article. As used in this Article, "this Act" means this
4 Article.

5 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

6 (320 ILCS 25/1.5)

7 Sec. 1.5. Implementation of Executive Order No. 3 of 2004~~+~~
8 ~~termination of the Illinois Senior Citizens and Disabled~~
9 ~~Persons Pharmaceutical Assistance Program.~~ Executive Order No.
10 3 of 2004, in part, provided for the transfer of the programs
11 under this Act from the Department of Revenue to the Department
12 on Aging and the Department of Healthcare and Family Services.
13 It is the purpose of this amendatory Act of the 96th General
14 Assembly to conform this Act and certain related provisions of
15 other statutes to that Executive Order. This amendatory Act of
16 the 96th General Assembly also makes other substantive changes
17 to this Act.

18 ~~It is the purpose of this amendatory Act of the 97th~~
19 ~~General Assembly to terminate the Illinois Senior Citizens and~~
20 ~~Disabled Persons Pharmaceutical Assistance Program on July 1,~~
21 ~~2012.~~

22 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

23 (320 ILCS 25/2) (from Ch. 67 1/2, par. 402)

24 Sec. 2. Purpose. The purpose of this Act is to provide

1 incentives to the senior citizens and disabled persons of this
2 State to acquire and retain private housing of their choice and
3 at the same time to relieve those citizens from the burdens of
4 extraordinary property taxes and rising drug costs against
5 their increasingly restricted earning power, and thereby to
6 reduce the requirements for public housing in this State.

7 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

8 (320 ILCS 25/3.05a)

9 Sec. 3.05a. Additional resident. "Additional resident"
10 means a person who (i) is living in the same residence with a
11 claimant for the claim year and at the time of filing the
12 claim, (ii) is not the spouse of the claimant, (iii) does not
13 file a separate claim under this Act for the same period, and
14 (iv) receives more than half of his or her total financial
15 support for that claim year from the household. ~~An~~ ~~Prior to~~
16 ~~July 1, 2012,~~ ~~an~~ additional resident who meets qualifications
17 may receive pharmaceutical assistance based on a claimant's
18 application.

19 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

20 (320 ILCS 25/3.10) (from Ch. 67 1/2, par. 403.10)

21 Sec. 3.10. Regulations. "Regulations" includes both rules
22 promulgated and forms prescribed by the applicable Department.
23 In this Act, references to the rules of the Department on Aging
24 or the Department of Healthcare and Family Services, ~~in effect~~

1 ~~prior to July 1, 2012,~~ shall be deemed to include, in
2 appropriate cases, the corresponding rules adopted by the
3 Department of Revenue, to the extent that those rules continue
4 in force under Executive Order No. 3 of 2004.

5 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

6 (320 ILCS 25/4) (from Ch. 67 1/2, par. 404)

7 Sec. 4. Amount of Grant.

8 (a) In general. Any individual 65 years or older or any
9 individual who will become 65 years old during the calendar
10 year in which a claim is filed, and any surviving spouse of
11 such a claimant, who at the time of death received or was
12 entitled to receive a grant pursuant to this Section, which
13 surviving spouse will become 65 years of age within the 24
14 months immediately following the death of such claimant and
15 which surviving spouse but for his or her age is otherwise
16 qualified to receive a grant pursuant to this Section, and any
17 disabled person whose annual household income is less than the
18 income eligibility limitation, as defined in subsection (a-5)
19 and whose household is liable for payment of property taxes
20 accrued or has paid rent constituting property taxes accrued
21 and is domiciled in this State at the time he or she files his
22 or her claim is entitled to claim a grant under this Act. With
23 respect to claims filed by individuals who will become 65 years
24 old during the calendar year in which a claim is filed, the
25 amount of any grant to which that household is entitled shall

1 be an amount equal to 1/12 of the amount to which the claimant
2 would otherwise be entitled as provided in this Section,
3 multiplied by the number of months in which the claimant was 65
4 in the calendar year in which the claim is filed.

5 (a-5) Income eligibility limitation. For purposes of this
6 Section, "income eligibility limitation" means an amount for
7 grant years 2008 and thereafter:

8 (1) less than \$22,218 for a household containing one
9 person;

10 (2) less than \$29,480 for a household containing 2
11 persons; or

12 (3) less than \$36,740 for a household containing 3 or
13 more persons.

14 For 2009 claim year applications submitted during calendar
15 year 2010, a household must have annual household income of
16 less than \$27,610 for a household containing one person; less
17 than \$36,635 for a household containing 2 persons; or less than
18 \$45,657 for a household containing 3 or more persons.

19 The Department on Aging may adopt rules such that on
20 January 1, 2011, and thereafter, the foregoing household income
21 eligibility limits may be changed to reflect the annual cost of
22 living adjustment in Social Security and Supplemental Security
23 Income benefits that are applicable to the year for which those
24 benefits are being reported as income on an application.

25 If a person files as a surviving spouse, then only his or
26 her income shall be counted in determining his or her household

1 income.

2 (b) Limitation. Except as otherwise provided in
3 subsections (a) and (f) of this Section, the maximum amount of
4 grant which a claimant is entitled to claim is the amount by
5 which the property taxes accrued which were paid or payable
6 during the last preceding tax year or rent constituting
7 property taxes accrued upon the claimant's residence for the
8 last preceding taxable year exceeds 3 1/2% of the claimant's
9 household income for that year but in no event is the grant to
10 exceed (i) \$700 less 4.5% of household income for that year for
11 those with a household income of \$14,000 or less or (ii) \$70 if
12 household income for that year is more than \$14,000.

13 (c) Public aid recipients. If household income in one or
14 more months during a year includes cash assistance in excess of
15 \$55 per month from the Department of Healthcare and Family
16 Services or the Department of Human Services (acting as
17 successor to the Department of Public Aid under the Department
18 of Human Services Act) which was determined under regulations
19 of that Department on a measure of need that included an
20 allowance for actual rent or property taxes paid by the
21 recipient of that assistance, the amount of grant to which that
22 household is entitled, except as otherwise provided in
23 subsection (a), shall be the product of (1) the maximum amount
24 computed as specified in subsection (b) of this Section and (2)
25 the ratio of the number of months in which household income did
26 not include such cash assistance over \$55 to the number twelve.

1 If household income did not include such cash assistance over
2 \$55 for any months during the year, the amount of the grant to
3 which the household is entitled shall be the maximum amount
4 computed as specified in subsection (b) of this Section. For
5 purposes of this paragraph (c), "cash assistance" does not
6 include any amount received under the federal Supplemental
7 Security Income (SSI) program.

8 (d) Joint ownership. If title to the residence is held
9 jointly by the claimant with a person who is not a member of
10 his or her household, the amount of property taxes accrued used
11 in computing the amount of grant to which he or she is entitled
12 shall be the same percentage of property taxes accrued as is
13 the percentage of ownership held by the claimant in the
14 residence.

15 (e) More than one residence. If a claimant has occupied
16 more than one residence in the taxable year, he or she may
17 claim only one residence for any part of a month. In the case
18 of property taxes accrued, he or she shall prorate 1/12 of the
19 total property taxes accrued on his or her residence to each
20 month that he or she owned and occupied that residence; and, in
21 the case of rent constituting property taxes accrued, shall
22 prorate each month's rent payments to the residence actually
23 occupied during that month.

24 (f) (Blank).

25 (g) Effective January 1, 2006, there is hereby established
26 a program of pharmaceutical assistance to the aged and

1 disabled, entitled the Illinois Seniors and Disabled Drug
2 Coverage Program, which shall be administered by the Department
3 of Healthcare and Family Services and the Department on Aging
4 in accordance with this subsection, to consist of coverage of
5 specified prescription drugs on behalf of beneficiaries of the
6 program as set forth in this subsection. ~~Notwithstanding any~~
7 ~~provisions of this Act to the contrary, on and after July 1,~~
8 ~~2012, pharmaceutical assistance under this Act shall no longer~~
9 ~~be provided, and on July 1, 2012 the Illinois Senior Citizens~~
10 ~~and Disabled Persons Pharmaceutical Assistance Program shall~~
11 ~~terminate. The following provisions that concern the Illinois~~
12 ~~Senior Citizens and Disabled Persons Pharmaceutical Assistance~~
13 ~~Program shall continue to apply on and after July 1, 2012 to~~
14 ~~the extent necessary to pursue any actions authorized by~~
15 ~~subsection (d) of Section 9 of this Act with respect to acts~~
16 ~~which took place prior to July 1, 2012.~~

17 To become a beneficiary under the program established under
18 this subsection, a person must:

19 (1) be (i) 65 years of age or older or (ii) disabled;

20 and

21 (2) be domiciled in this State; and

22 (3) enroll with a qualified Medicare Part D
23 Prescription Drug Plan if eligible and apply for all
24 available subsidies under Medicare Part D; and

25 (4) for the 2006 and 2007 claim years, have a maximum
26 household income of (i) less than \$21,218 for a household

1 containing one person, (ii) less than \$28,480 for a
2 household containing 2 persons, or (iii) less than \$35,740
3 for a household containing 3 or more persons; and

4 (5) for the 2008 claim year, have a maximum household
5 income of (i) less than \$22,218 for a household containing
6 one person, (ii) \$29,480 for a household containing 2
7 persons, or (iii) \$36,740 for a household containing 3 or
8 more persons; and

9 (6) for 2009 claim year applications submitted during
10 calendar year 2010, have annual household income of less
11 than (i) \$27,610 for a household containing one person;
12 (ii) less than \$36,635 for a household containing 2
13 persons; or (iii) less than \$45,657 for a household
14 containing 3 or more persons; and

15 (7) as of September 1, 2011, have a maximum household
16 income at or below 200% of the federal poverty level.

17 All individuals enrolled as of December 31, 2005, in the
18 pharmaceutical assistance program operated pursuant to
19 subsection (f) of this Section and all individuals enrolled as
20 of December 31, 2005, in the SeniorCare Medicaid waiver program
21 operated pursuant to Section 5-5.12a of the Illinois Public Aid
22 Code shall be automatically enrolled in the program established
23 by this subsection for the first year of operation without the
24 need for further application, except that they must apply for
25 Medicare Part D and the Low Income Subsidy under Medicare Part
26 D. A person enrolled in the pharmaceutical assistance program

1 operated pursuant to subsection (f) of this Section as of
2 December 31, 2005, shall not lose eligibility in future years
3 due only to the fact that they have not reached the age of 65.

4 To the extent permitted by federal law, the Department may
5 act as an authorized representative of a beneficiary in order
6 to enroll the beneficiary in a Medicare Part D Prescription
7 Drug Plan if the beneficiary has failed to choose a plan and,
8 where possible, to enroll beneficiaries in the low-income
9 subsidy program under Medicare Part D or assist them in
10 enrolling in that program.

11 Beneficiaries under the program established under this
12 subsection shall be divided into the following 4 eligibility
13 groups:

14 (A) Eligibility Group 1 shall consist of beneficiaries
15 who are not eligible for Medicare Part D coverage and who
16 are:

17 (i) disabled and under age 65; or

18 (ii) age 65 or older, with incomes over 200% of the
19 Federal Poverty Level; or

20 (iii) age 65 or older, with incomes at or below
21 200% of the Federal Poverty Level and not eligible for
22 federally funded means-tested benefits due to
23 immigration status.

24 (B) Eligibility Group 2 shall consist of beneficiaries
25 who are eligible for Medicare Part D coverage.

26 (C) Eligibility Group 3 shall consist of beneficiaries

1 age 65 or older, with incomes at or below 200% of the
2 Federal Poverty Level, who are not barred from receiving
3 federally funded means-tested benefits due to immigration
4 status and are not eligible for Medicare Part D coverage.

5 If the State applies and receives federal approval for
6 a waiver under Title XIX of the Social Security Act,
7 persons in Eligibility Group 3 shall continue to receive
8 benefits through the approved waiver, and Eligibility
9 Group 3 may be expanded to include disabled persons under
10 age 65 with incomes under 200% of the Federal Poverty Level
11 who are not eligible for Medicare and who are not barred
12 from receiving federally funded means-tested benefits due
13 to immigration status.

14 (D) Eligibility Group 4 shall consist of beneficiaries
15 who are otherwise described in Eligibility Group 2 who have
16 a diagnosis of HIV or AIDS.

17 The program established under this subsection shall cover
18 the cost of covered prescription drugs in excess of the
19 beneficiary cost-sharing amounts set forth in this paragraph
20 that are not covered by Medicare. The Department of Healthcare
21 and Family Services may establish by emergency rule changes in
22 cost-sharing necessary to conform the cost of the program to
23 the amounts appropriated for State fiscal year 2012 and future
24 fiscal years except that the 24-month limitation on the
25 adoption of emergency rules and the provisions of Sections
26 5-115 and 5-125 of the Illinois Administrative Procedure Act

1 shall not apply to rules adopted under this subsection (g). The
2 adoption of emergency rules authorized by this subsection (g)
3 shall be deemed to be necessary for the public interest,
4 safety, and welfare.

5 For purposes of the program established under this
6 subsection, the term "covered prescription drug" has the
7 following meanings:

8 For Eligibility Group 1, "covered prescription drug"
9 means: (1) any cardiovascular agent or drug; (2) any
10 insulin or other prescription drug used in the treatment of
11 diabetes, including syringe and needles used to administer
12 the insulin; (3) any prescription drug used in the
13 treatment of arthritis; (4) any prescription drug used in
14 the treatment of cancer; (5) any prescription drug used in
15 the treatment of Alzheimer's disease; (6) any prescription
16 drug used in the treatment of Parkinson's disease; (7) any
17 prescription drug used in the treatment of glaucoma; (8)
18 any prescription drug used in the treatment of lung disease
19 and smoking-related illnesses; (9) any prescription drug
20 used in the treatment of osteoporosis; and (10) any
21 prescription drug used in the treatment of multiple
22 sclerosis. The Department may add additional therapeutic
23 classes by rule. The Department may adopt a preferred drug
24 list within any of the classes of drugs described in items
25 (1) through (10) of this paragraph. The specific drugs or
26 therapeutic classes of covered prescription drugs shall be

1 indicated by rule.

2 For Eligibility Group 2, "covered prescription drug"
3 means those drugs covered by the Medicare Part D
4 Prescription Drug Plan in which the beneficiary is
5 enrolled.

6 For Eligibility Group 3, "covered prescription drug"
7 means those drugs covered by the Medical Assistance Program
8 under Article V of the Illinois Public Aid Code.

9 For Eligibility Group 4, "covered prescription drug"
10 means those drugs covered by the Medicare Part D
11 Prescription Drug Plan in which the beneficiary is
12 enrolled.

13 Any person otherwise eligible for pharmaceutical
14 assistance under this subsection whose covered drugs are
15 covered by any public program is ineligible for assistance
16 under this subsection to the extent that the cost of those
17 drugs is covered by the other program.

18 The Department of Healthcare and Family Services shall
19 establish by rule the methods by which it will provide for the
20 coverage called for in this subsection. Those methods may
21 include direct reimbursement to pharmacies or the payment of a
22 capitated amount to Medicare Part D Prescription Drug Plans.

23 For a pharmacy to be reimbursed under the program
24 established under this subsection, it must comply with rules
25 adopted by the Department of Healthcare and Family Services
26 regarding coordination of benefits with Medicare Part D

1 Prescription Drug Plans. A pharmacy may not charge a
2 Medicare-enrolled beneficiary of the program established under
3 this subsection more for a covered prescription drug than the
4 appropriate Medicare cost-sharing less any payment from or on
5 behalf of the Department of Healthcare and Family Services.

6 The Department of Healthcare and Family Services or the
7 Department on Aging, as appropriate, may adopt rules regarding
8 applications, counting of income, proof of Medicare status,
9 mandatory generic policies, and pharmacy reimbursement rates
10 and any other rules necessary for the cost-efficient operation
11 of the program established under this subsection.

12 (h) A qualified individual is not entitled to duplicate
13 benefits in a coverage period as a result of the changes made
14 by this amendatory Act of the 96th General Assembly.

15 (Source: P.A. 96-804, eff. 1-1-10; 97-74, eff. 6-30-11; 97-333,
16 eff. 8-12-11; 97-689, eff. 6-14-12.)

17 (320 ILCS 25/4.05)

18 Sec. 4.05. Application.

19 (a) The Department on Aging shall establish the content,
20 required eligibility and identification information, use of
21 social security numbers, and manner of applying for benefits in
22 a simplified format under this Act, including claims filed for
23 new or renewed prescription drug benefits.

24 (b) An application may be filed on paper or over the
25 Internet to enable persons to apply separately or for both a

1 property tax relief grant and pharmaceutical assistance on the
2 same application. An application may also enable persons to
3 apply for other State or federal programs that provide medical
4 or pharmaceutical assistance or other benefits, as determined
5 by the Department on Aging in conjunction with the Department
6 of Healthcare and Family Services.

7 (c) Applications must be filed during the time period
8 prescribed by the Department.

9 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

10 (320 ILCS 25/4.2 new)

11 Sec. 4.2. Information to the Department. Notwithstanding
12 any other law to the contrary, entities subject to the Illinois
13 Insurance Code, Comprehensive Health Insurance Plan Act,
14 Dental Service Plan Act, Children's Health Insurance Program
15 Act, Health Care Purchasing Group Act, Health Maintenance
16 Organization Act, Limited Health Service Organization Act,
17 Voluntary Health Services Plans Act, and the Workers'
18 Compensation Act, including, but not limited to, insurers,
19 health maintenance organizations, pharmacy benefit managers,
20 third party administrators, fraternal benefit societies,
21 group-funded workers' compensation pools, municipal
22 group-funded pools, self-funded or self-insured welfare or
23 benefit plans or programs, and any other entities that provide
24 health coverage through an employer, union, trade association
25 or other organization or source, or any other entities, must

1 provide information to the Department, or its designee, that is
2 necessary to carry out the purposes of this Act, including, but
3 not limited to, the name, social security number, address, date
4 of birth, and coverage of their policyholders, their
5 subscribers, or the beneficiaries of their plans, benefits, or
6 services who participate in the programs under this Act. The
7 provision of this information to the Department or its designee
8 is subject to the confidentiality provisions in Section 8a of
9 this Act.

10 (320 ILCS 25/5) (from Ch. 67 1/2, par. 405)

11 Sec. 5. Procedure.

12 (a) In general. Claims must be filed after January 1, on
13 forms prescribed by the Department. No claim may be filed more
14 than one year after December 31 of the year for which the claim
15 is filed. The pharmaceutical assistance identification card
16 provided for in subsection (f) of Section 4 shall be valid for
17 a period determined by the Department of Healthcare and Family
18 Services.

19 (b) Claim is Personal. The right to file a claim under this
20 Act shall be personal to the claimant and shall not survive his
21 death, but such right may be exercised on behalf of a claimant
22 by his legal guardian or attorney-in-fact. If a claimant dies
23 after having filed a timely claim, the amount thereof shall be
24 disbursed to his surviving spouse or, if no spouse survives, to
25 his surviving dependent minor children in equal parts, provided

1 the spouse or child, as the case may be, resided with the
2 claimant at the time he filed his claim. If at the time of
3 disbursement neither the claimant nor his spouse is surviving,
4 and no dependent minor children of the claimant are surviving
5 the amount of the claim shall escheat to the State.

6 (c) One claim per household. Only one member of a household
7 may file a claim under this Act in any calendar year; where
8 both members of a household are otherwise entitled to claim a
9 grant under this Act, they must agree as to which of them will
10 file a claim for that year.

11 (d) (Blank).

12 (e) Pharmaceutical Assistance Procedures. ~~The Prior to~~
13 ~~July 1, 2012, the~~ Department of Healthcare and Family Services
14 shall determine eligibility for pharmaceutical assistance
15 using the applicant's current income. The Department shall
16 determine a person's current income in the manner provided by
17 the Department by rule.

18 (f) A person may not under any circumstances charge a fee
19 to a claimant under this Act for assistance in completing an
20 application form for a property tax relief grant or
21 pharmaceutical assistance under this Act.

22 (Source: P.A. 96-491, eff. 8-14-09; 96-804, eff. 1-1-10;
23 96-1000, eff. 7-2-10; 97-689, eff. 6-14-12.)

24 (320 ILCS 25/6) (from Ch. 67 1/2, par. 406)

25 Sec. 6. Administration.

1 (a) In general. Upon receipt of a timely filed claim, the
2 Department shall determine whether the claimant is a person
3 entitled to a grant under this Act and the amount of grant to
4 which he is entitled under this Act. The Department may require
5 the claimant to furnish reasonable proof of the statements of
6 domicile, household income, rent paid, property taxes accrued
7 and other matters on which entitlement is based, and may
8 withhold payment of a grant until such additional proof is
9 furnished.

10 (b) Rental determination. If the Department finds that the
11 gross rent used in the computation by a claimant of rent
12 constituting property taxes accrued exceeds the fair rental
13 value for the right to occupy that residence, the Department
14 may determine the fair rental value for that residence and
15 recompute rent constituting property taxes accrued
16 accordingly.

17 (c) Fraudulent claims. The Department shall deny claims
18 which have been fraudulently prepared or when it finds that the
19 claimant has acquired title to his residence or has paid rent
20 for his residence primarily for the purpose of receiving a
21 grant under this Act.

22 (d) Pharmaceutical Assistance. The Department shall allow
23 all pharmacies licensed under the Pharmacy Practice Act to
24 participate as authorized pharmacies unless they have been
25 removed from that status for cause pursuant to the terms of
26 this Section. The Director of the Department may enter into a

1 written contract with any State agency, instrumentality or
2 political subdivision, or a fiscal intermediary for the purpose
3 of making payments to authorized pharmacies for covered
4 prescription drugs and coordinating the program of
5 pharmaceutical assistance established by this Act with other
6 programs that provide payment for covered prescription drugs.
7 Such agreement shall establish procedures for properly
8 contracting for pharmacy services, validating reimbursement
9 claims, validating compliance of dispensing pharmacists with
10 the contracts for participation required under this Section,
11 validating the reasonable costs of covered prescription drugs,
12 and otherwise providing for the effective administration of
13 this Act. ~~(Blank)~~.

14 The Department shall promulgate rules and regulations to
15 implement and administer the program of pharmaceutical
16 assistance required by this Act, which shall include the
17 following:

18 (1) Execution of contracts with pharmacies to dispense
19 covered prescription drugs. Such contracts shall stipulate
20 terms and conditions for authorized pharmacies
21 participation and the rights of the State to terminate such
22 participation for breach of such contract or for violation
23 of this Act or related rules and regulations of the
24 Department;

25 (2) Establishment of maximum limits on the size of
26 prescriptions, new or refilled, which shall be in amounts

1 sufficient for 34 days, except as otherwise specified by
2 rule for medical or utilization control reasons;

3 (3) Establishment of liens upon any and all causes of
4 action which accrue to a beneficiary as a result of
5 injuries for which covered prescription drugs are directly
6 or indirectly required and for which the Director made
7 payment or became liable for under this Act;

8 (4) Charge or collection of payments from third parties
9 or private plans of assistance, or from other programs of
10 public assistance for any claim that is properly chargeable
11 under the assignment of benefits executed by beneficiaries
12 as a requirement of eligibility for the pharmaceutical
13 assistance identification card under this Act;

14 (4.5) Provision for automatic enrollment of
15 beneficiaries into a Medicare Discount Card program
16 authorized under the federal Medicare Modernization Act of
17 2003 (P.L. 108-391) to coordinate coverage including
18 Medicare Transitional Assistance;

19 (5) Inspection of appropriate records and audit of
20 participating authorized pharmacies to ensure contract
21 compliance, and to determine any fraudulent transactions
22 or practices under this Act;

23 (6) Payment to pharmacies under this Act in accordance
24 with the State Prompt Payment Act.

25 The Department shall annually report to the Governor and
26 the General Assembly by March 1st of each year on the

1 administration of pharmaceutical assistance under this Act.

2 (Source: P.A. 96-328, eff. 8-11-09; 97-333, eff. 8-12-11;
3 97-689, eff. 6-14-12.)

4 (320 ILCS 25/7) (from Ch. 67 1/2, par. 407)

5 Sec. 7. Payment and denial of claims.

6 (a) In general. The Director shall order the payment from
7 appropriations made for that purpose of grants to claimants
8 under this Act in the amounts to which the Department has
9 determined they are entitled, respectively. If a claim is
10 denied, the Director shall cause written notice of that denial
11 and the reasons for that denial to be sent to the claimant.

12 (b) Payment of claims one dollar and under. Where the
13 amount of the grant computed under Section 4 is less than one
14 dollar, the Department shall pay to the claimant one dollar.

15 (c) Right to appeal. Any person aggrieved by an action or
16 determination of the Department on Aging arising under any of
17 its powers or duties under this Act may request in writing that
18 the Department on Aging reconsider its action or determination,
19 setting out the facts upon which the request is based. The
20 Department on Aging shall consider the request and either
21 modify or affirm its prior action or determination. The
22 Department on Aging may adopt, by rule, procedures for
23 conducting its review under this Section.

24 Any person aggrieved by an action or determination of the
25 Department of Healthcare and Family Services arising under any

1 of its powers or duties under this Act may request in writing
2 that the Department of Healthcare and Family Services
3 reconsider its action or determination, setting out the facts
4 upon which the request is based. The Department of Healthcare
5 and Family Services shall consider the request and either
6 modify or affirm its prior action or determination. The
7 Department of Healthcare and Family Services may adopt, by
8 rule, procedures for conducting its review under this Section.

9 (d) (Blank).

10 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

11 (320 ILCS 25/8) (from Ch. 67 1/2, par. 408)

12 Sec. 8. Records. Every claimant of a grant under this Act
13 and, ~~prior to July 1, 2012,~~ every applicant for pharmaceutical
14 assistance under this Act shall keep such records, render such
15 statements, file such forms and comply with such rules and
16 regulations as the Department on Aging may from time to time
17 prescribe. The Department on Aging may by regulations require
18 landlords to furnish to tenants statements as to gross rent or
19 rent constituting property taxes accrued.

20 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

21 (320 ILCS 25/9) (from Ch. 67 1/2, par. 409)

22 Sec. 9. Fraud; error.

23 (a) Any person who files a fraudulent claim for a grant
24 under this Act, or who for compensation prepares a claim for a

1 grant and knowingly enters false information on an application
2 for any claimant under this Act, or who fraudulently files
3 multiple applications, or who fraudulently states that a
4 nondisabled person is disabled, or who, ~~prior to July 1, 2012,~~
5 fraudulently procures pharmaceutical assistance benefits, or
6 who fraudulently uses such assistance to procure covered
7 prescription drugs, or who, on behalf of an authorized
8 pharmacy, files a fraudulent request for payment, is guilty of
9 a Class 4 felony for the first offense and is guilty of a Class
10 3 felony for each subsequent offense.

11 (b) The Department on Aging and the Department of
12 Healthcare and Family Services shall immediately suspend the
13 pharmaceutical assistance benefits of any person suspected of
14 fraudulent procurement or fraudulent use of such assistance,
15 and shall revoke such assistance upon a conviction. A person
16 convicted of fraud under subsection (a) shall be permanently
17 barred from all of the programs established under this Act.
18 ~~(Blank).~~

19 (c) The Department on Aging may recover from a claimant any
20 amount paid to that claimant under this Act on account of an
21 erroneous or fraudulent claim, together with 6% interest per
22 year. Amounts recoverable from a claimant by the Department on
23 Aging under this Act may, but need not, be recovered by
24 offsetting the amount owed against any future grant payable to
25 the person under this Act.

26 The Department of Healthcare and Family Services may

1 recover ~~for acts prior to July 1, 2012~~ from an authorized
2 pharmacy any amount paid to that pharmacy under the
3 pharmaceutical assistance program on account of an erroneous or
4 fraudulent request for payment under that program, together
5 with 6% interest per year. The Department of Healthcare and
6 Family Services may recover from a person who erroneously or
7 fraudulently obtains benefits under the pharmaceutical
8 assistance program the value of the benefits so obtained,
9 together with 6% interest per year.

10 (d) A prosecution for a violation of this Section may be
11 commenced at any time within 3 years of the commission of that
12 violation.

13 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

14 (320 ILCS 25/12) (from Ch. 67 1/2, par. 412)

15 Sec. 12. Regulations - Department on Aging.

16 (a) Regulations. Notwithstanding any other provision to
17 the contrary, the Department on Aging may adopt rules regarding
18 applications, proof of eligibility, required identification
19 information, use of social security numbers, counting of
20 income, and a method of computing "gross rent" in the case of a
21 claimant living in a nursing or sheltered care home, and any
22 other rules necessary for the cost-efficient operation of the
23 program established under Section 4.

24 (b) The Department on Aging shall, to the extent of
25 appropriations made for that purpose:

1 (1) attempt to secure the cooperation of appropriate
2 federal, State and local agencies in securing the names and
3 addresses of persons to whom this Act pertains;

4 (2) prepare a mailing list of persons eligible for
5 grants under this Act;

6 (3) secure the cooperation of the Department of
7 Revenue, the Department of Healthcare and Family Services,
8 other State agencies, and local business establishments to
9 facilitate distribution of applications under this Act to
10 those eligible to file claims; and

11 (4) through use of direct mail, newspaper
12 advertisements and radio and television advertisements,
13 and all other appropriate means of communication, conduct
14 an on-going public relations program to increase awareness
15 of eligible citizens of the benefits under this Act and the
16 procedures for applying for them.

17 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

18 (320 ILCS 25/13) (from Ch. 67 1/2, par. 413)

19 Sec. 13. List of persons who have qualified. The Department
20 on Aging shall maintain a list of all persons who have
21 qualified under this Act and shall make the list available to
22 the Department of Healthcare and Family Services, the
23 Department of Public Health, the Secretary of State,
24 municipalities, and public transit authorities upon request.

25 All information received by a State agency, municipality,

1 or public transit authority under this Section shall be
2 confidential, except for official purposes, and any person who
3 divulges or uses that information in any manner, except in
4 accordance with a proper judicial order, shall be guilty of a
5 Class B misdemeanor.

6 (Source: P.A. 96-804, eff. 1-1-10; 97-689, eff. 6-14-12.)

7 Section 2-91. The Senior Citizens Real Estate Tax Deferral
8 Act is amended by changing Sections 2 and 8 as follows:

9 (320 ILCS 30/2) (from Ch. 67 1/2, par. 452)

10 Sec. 2. Definitions. As used in this Act:

11 (a) "Taxpayer" means an individual whose household income
12 for the year is no greater than: (i) \$40,000 through tax year
13 2005; (ii) \$50,000 for tax years 2006 through 2011; and (iii)
14 \$55,000 for tax year 2012 and thereafter.

15 (b) "Tax deferred property" means the property upon which
16 real estate taxes are deferred under this Act.

17 (c) "Homestead" means the land and buildings thereon,
18 including a condominium or a dwelling unit in a multidwelling
19 building that is owned and operated as a cooperative, occupied
20 by the taxpayer as his residence or which are temporarily
21 unoccupied by the taxpayer because such taxpayer is temporarily
22 residing, for not more than 1 year, in a licensed facility as
23 defined in Section 1-113 of the Nursing Home Care Act.

24 (d) "Real estate taxes" or "taxes" means the taxes on real

1 property for which the taxpayer would be liable under the
2 Property Tax Code, including special service area taxes, and
3 special assessments on benefited real property for which the
4 taxpayer would be liable to a unit of local government.

5 (e) "Department" means the Department of Revenue.

6 (f) "Qualifying property" means a homestead which (a) the
7 taxpayer or the taxpayer and his spouse own in fee simple or
8 are purchasing in fee simple under a recorded instrument of
9 sale, (b) is not income-producing property, (c) is not subject
10 to a lien for unpaid real estate taxes when a claim under this
11 Act is filed, and (d) is not held in trust, other than an
12 Illinois land trust with the taxpayer identified as the sole
13 beneficiary, if the taxpayer is filing for the program for the
14 first time effective as of the January 1, 2011 assessment year
15 or tax year 2012 and thereafter.

16 (g) "Equity interest" means the current assessed valuation
17 of the qualified property times the fraction necessary to
18 convert that figure to full market value minus any outstanding
19 debts or liens on that property. In the case of qualifying
20 property not having a separate assessed valuation, the
21 appraised value as determined by a qualified real estate
22 appraiser shall be used instead of the current assessed
23 valuation.

24 (h) "Household income" has the meaning ascribed to that
25 term in the Senior Citizens and Disabled Persons Property Tax
26 Relief and Pharmaceutical Assistance Act.

1 (i) "Collector" means the county collector or, if the taxes
2 to be deferred are special assessments, an official designated
3 by a unit of local government to collect special assessments.

4 (Source: P.A. 97-481, eff. 8-22-11; 97-689, eff. 6-14-12.)

5 (320 ILCS 30/8) (from Ch. 67 1/2, par. 458)

6 Sec. 8. Nothing in this Act (a) affects any provision of
7 any mortgage or other instrument relating to land requiring a
8 person to pay real estate taxes or (b) affects the eligibility
9 of any person to receive any grant pursuant to the "Senior
10 Citizens and Disabled Persons Property Tax Relief and
11 Pharmaceutical Assistance Act".

12 (Source: P.A. 97-689, eff. 6-14-12.)

13 Section 2-92. The Senior Pharmaceutical Assistance Act is
14 amended by changing Section 5 as follows:

15 (320 ILCS 50/5)

16 Sec. 5. Findings. The General Assembly finds:

17 (1) Senior citizens identify pharmaceutical assistance as
18 the single most critical factor to their health, well-being,
19 and continued independence.

20 (2) The State of Illinois currently operates 2
21 pharmaceutical assistance programs that benefit seniors: (i)
22 the program of pharmaceutical assistance under the Senior
23 Citizens and Disabled Persons Property Tax Relief and

1 Pharmaceutical Assistance Act and (ii) the Aid to the Aged,
2 Blind, or Disabled program under the Illinois Public Aid Code.
3 The State has been given authority to establish a third
4 program, SeniorRx Care, through a federal Medicaid waiver.

5 (3) Each year, numerous pieces of legislation are filed
6 seeking to establish additional pharmaceutical assistance
7 benefits for seniors or to make changes to the existing
8 programs.

9 (4) Establishment of a pharmaceutical assistance review
10 committee will ensure proper coordination of benefits,
11 diminish the likelihood of duplicative benefits, and ensure
12 that the best interests of seniors are served.

13 (5) In addition to the State pharmaceutical assistance
14 programs, several private entities, such as drug manufacturers
15 and pharmacies, also offer prescription drug discount or
16 coverage programs.

17 (6) Many seniors are unaware of the myriad of public and
18 private programs available to them.

19 (7) Establishing a pharmaceutical clearinghouse with a
20 toll-free hot-line and local outreach workers will educate
21 seniors about the vast array of options available to them and
22 enable seniors to make an educated and informed choice that is
23 best for them.

24 (8) Estimates indicate that almost one-third of senior
25 citizens lack prescription drug coverage. The federal
26 government, states, and the pharmaceutical industry each have a

1 role in helping these uninsured seniors gain access to
2 life-saving medications.

3 (9) The State of Illinois has recognized its obligation to
4 assist Illinois' neediest seniors in purchasing prescription
5 medications, and it is now time for pharmaceutical
6 manufacturers to recognize their obligation to make their
7 medications affordable to seniors.

8 (Source: P.A. 97-689, eff. 6-14-12.)

9 Section 2-100. The Sexual Assault Survivors Emergency
10 Treatment Act is amended by changing Section 7 as follows:

11 (410 ILCS 70/7) (from Ch. 111 1/2, par. 87-7)

12 Sec. 7. Charges and reimbursement ~~Reimbursement~~.

13 (a) When any ambulance provider furnishes transportation,
14 hospital provides hospital emergency services and forensic
15 services, hospital or health care professional or laboratory
16 provides follow-up healthcare, or pharmacy dispenses
17 prescribed medications to any sexual assault survivor, as
18 defined by the Department of Healthcare and Family Services,
19 who is neither eligible to receive such services under the
20 Illinois Public Aid Code nor covered as to such services by a
21 policy of insurance, the ambulance provider, hospital, health
22 care professional, ~~pharmacy,~~ or laboratory shall furnish such
23 services to that person without charge and shall be entitled to
24 be reimbursed for its billed charges in providing such services

1 by the Illinois Sexual Assault Emergency Treatment Program
2 under the Department of Healthcare and Family Services.
3 Pharmacies shall dispense prescribed medications without
4 charge to the survivor and shall be reimbursed ~~and~~ at the
5 Department of Healthcare and Family Services' Medicaid
6 allowable rates ~~under the Illinois Public Aid Code.~~

7 (b) The hospital is responsible for submitting the request
8 for reimbursement for ambulance services, hospital emergency
9 services, and forensic services to the Illinois Sexual Assault
10 Emergency Treatment Program. Nothing in this Section precludes
11 hospitals from providing follow-up healthcare and receiving
12 reimbursement under this Section.

13 (c) The health care professional who provides follow-up
14 healthcare and the pharmacy that dispenses prescribed
15 medications to a sexual assault survivor are responsible for
16 submitting the request for reimbursement for follow-up
17 healthcare or pharmacy services to the Illinois Sexual Assault
18 Emergency Treatment Program.

19 (d) (Blank). ~~On and after July 1, 2012, the Department~~
20 ~~shall reduce any rate of reimbursement for services or other~~
21 ~~payments or alter any methodologies authorized by this Act or~~
22 ~~the Illinois Public Aid Code to reduce any rate of~~
23 ~~reimbursement for services or other payments in accordance with~~
24 ~~Section 5-5c of the Illinois Public Aid Code.~~

25 (e) ~~(d)~~ The Department of Healthcare and Family Services
26 shall establish standards, rules, and regulations to implement

1 this Section.

2 (Source: P.A. 97-689, eff. 6-14-12; revised 8-3-12.)

3 Section 2-102. The Hemophilia Care Act is amended by
4 changing Section 3 as follows:

5 (410 ILCS 420/3) (from Ch. 111 1/2, par. 2903)

6 Sec. 3. The powers and duties of the Department shall
7 include the following:

8 (1) With the advice and counsel of the Committee,
9 develop standards for determining eligibility for care and
10 treatment under this program. Among other standards
11 developed under this Section, persons suffering from
12 hemophilia must be evaluated in a center properly staffed
13 and equipped for such evaluation, but not operated by the
14 Department.

15 (2) (Blank).

16 (3) Extend financial assistance to eligible persons in
17 order that they may obtain blood and blood derivatives for
18 use in hospitals, in medical and dental facilities, or at
19 home. The Department shall extend financial assistance in
20 each fiscal year to each family containing one or more
21 eligible persons in the amount of (a) the family's eligible
22 cost of hemophilia services for that fiscal year, minus (b)
23 one fifth of its available family income for its next
24 preceding taxable year. The Director may extend financial

1 assistance in the case of unusual hardships, according to
2 specific procedures and conditions adopted for this
3 purpose in the rules and regulations promulgated by the
4 Department to implement and administer this Act.

5 (4) (Blank).

6 (5) Promulgate rules and regulations with the advice
7 and counsel of the Committee for the implementation and
8 administration of this Act.

9 ~~On and after July 1, 2012, the Department shall reduce any~~
10 ~~rate of reimbursement for services or other payments or alter~~
11 ~~any methodologies authorized by this Act or the Illinois Public~~
12 ~~Aid Code to reduce any rate of reimbursement for services or~~
13 ~~other payments in accordance with Section 5-5c of the Illinois~~
14 ~~Public Aid Code.~~

15 (Source: P.A. 97-689, eff. 6-14-12.)

16 Section 2-103. The Renal Disease Treatment Act is amended
17 by changing Section 3 as follows:

18 (410 ILCS 430/3) (from Ch. 111 1/2, par. 22.33)

19 Sec. 3. Duties of Departments of Healthcare and Family
20 Services and Public Health.

21 (A) The Department of Healthcare and Family Services shall:

22 (a) With the advice of the Renal Disease Advisory
23 Committee, develop standards for determining eligibility
24 for care and treatment under this program. Among other

1 standards so developed under this paragraph, candidates,
2 to be eligible for care and treatment, must be evaluated in
3 a center properly staffed and equipped for such evaluation.

4 (b) (Blank).

5 (c) (Blank).

6 (d) Extend financial assistance to persons suffering
7 from chronic renal diseases in obtaining the medical,
8 surgical, nursing, pharmaceutical, and technical services
9 necessary in caring for such diseases, including the
10 renting of home dialysis equipment. The Renal Disease
11 Advisory Committee shall recommend to the Department the
12 extent of financial assistance, including the reasonable
13 charges and fees, for:

14 (1) Treatment in a dialysis facility;

15 (2) Hospital treatment for dialysis and transplant
16 surgery;

17 (3) Treatment in a limited care facility;

18 (4) Home dialysis training; and

19 (5) Home dialysis.

20 (e) Assist in equipping dialysis centers.

21 (f) (Blank). ~~On and after July 1, 2012, the Department~~
22 ~~shall reduce any rate of reimbursement for services or~~
23 ~~other payments or alter any methodologies authorized by~~
24 ~~this Act or the Illinois Public Aid Code to reduce any rate~~
25 ~~of reimbursement for services or other payments in~~
26 ~~accordance with Section 5 5c of the Illinois Public Aid~~

1 ~~Code.~~

2 (B) The Department of Public Health shall:

3 (a) Assist in the development and expansion of programs
4 for the care and treatment of persons suffering from
5 chronic renal diseases, including dialysis and other
6 medical or surgical procedures and techniques that will
7 have a lifesaving effect in the care and treatment of
8 persons suffering from these diseases.

9 (b) Assist in the development of programs for the
10 prevention of chronic renal diseases.

11 (c) Institute and carry on an educational program among
12 physicians, hospitals, public health departments, and the
13 public concerning chronic renal diseases, including the
14 dissemination of information and the conducting of
15 educational programs concerning the prevention of chronic
16 renal diseases and the methods for the care and treatment
17 of persons suffering from these diseases.

18 (Source: P.A. 97-689, eff. 6-14-12.)

19 Section 2-104. The Illinois Vehicle Code is amended by
20 changing Sections 3-609, 3-623, 3-626, 3-667, 3-683, 3-806.3,
21 and 11-1301.2 as follows:

22 (625 ILCS 5/3-609) (from Ch. 95 1/2, par. 3-609)

23 Sec. 3-609. Disabled Veterans' Plates.

24 (a) Any veteran who holds proof of a service-connected

1 disability from the United States Department of Veterans
2 Affairs, and who has obtained certification from a licensed
3 physician, physician assistant, or advanced practice nurse
4 that the service-connected disability qualifies the veteran
5 for issuance of registration plates or decals to a person with
6 disabilities in accordance with Section 3-616, may, without the
7 payment of any registration fee, make application to the
8 Secretary of State for disabled veterans license plates
9 displaying the international symbol of access, for the
10 registration of one motor vehicle of the first division or one
11 motor vehicle of the second division weighing not more than
12 8,000 pounds.

13 (b) Any veteran who holds proof of a service-connected
14 disability from the United States Department of Veterans
15 Affairs, and whose degree of disability has been declared to be
16 50% or more, but whose disability does not qualify the veteran
17 for a plate or decal for persons with disabilities under
18 Section 3-616, may, without the payment of any registration
19 fee, make application to the Secretary for a special
20 registration plate without the international symbol of access
21 for the registration of one motor vehicle of the first division
22 or one motor vehicle of the second division weighing not more
23 than 8,000 pounds.

24 (c) Renewal of such registration must be accompanied with
25 documentation for eligibility of registration without fee
26 unless the applicant has a permanent qualifying disability, and

1 such registration plates may not be issued to any person not
2 eligible therefor. The Illinois Department of Veterans'
3 Affairs may assist in providing the documentation of
4 disability.

5 (d) The design and color of the plates shall be within the
6 discretion of the Secretary, except that the plates issued
7 under subsection (b) of this Section shall not contain the
8 international symbol of access. The Secretary may, in his or
9 her discretion, allow the plates to be issued as vanity or
10 personalized plates in accordance with Section 3-405.1 of this
11 Code. Registration shall be for a multi-year period and may be
12 issued staggered registration.

13 (e) Any person eligible to receive license plates under
14 this Section who has been approved for benefits under the
15 Senior Citizens and Disabled Persons Property Tax Relief and
16 Pharmaceutical Assistance Act, or who has claimed and received
17 a grant under that Act, shall pay a fee of \$24 instead of the
18 fee otherwise provided in this Code for passenger cars
19 displaying standard multi-year registration plates issued
20 under Section 3-414.1, for motor vehicles registered at 8,000
21 pounds or less under Section 3-815(a), or for recreational
22 vehicles registered at 8,000 pounds or less under Section
23 3-815(b), for a second set of plates under this Section.

24 (Source: P.A. 96-79, eff. 1-1-10; 97-689, eff. 6-14-12; 97-918,
25 eff. 1-1-13; revised 8-23-12.)

1 (625 ILCS 5/3-623) (from Ch. 95 1/2, par. 3-623)

2 Sec. 3-623. Purple Heart Plates. The Secretary, upon
3 receipt of an application made in the form prescribed by the
4 Secretary of State, may issue to recipients awarded the Purple
5 Heart by a branch of the armed forces of the United States who
6 reside in Illinois, special registration plates. The
7 Secretary, upon receipt of the proper application, may also
8 issue these special registration plates to an Illinois resident
9 who is the surviving spouse of a person who was awarded the
10 Purple Heart by a branch of the armed forces of the United
11 States. The special plates issued pursuant to this Section
12 should be affixed only to passenger vehicles of the 1st
13 division, including motorcycles, or motor vehicles of the 2nd
14 division weighing not more than 8,000 pounds. The Secretary
15 may, in his or her discretion, allow the plates to be issued as
16 vanity or personalized plates in accordance with Section
17 3-405.1 of this Code. The Secretary of State must make a
18 version of the special registration plates authorized under
19 this Section in a form appropriate for motorcycles.

20 The design and color of such plates shall be wholly within
21 the discretion of the Secretary of State. Appropriate
22 documentation, as determined by the Secretary, and the
23 appropriate registration fee shall accompany the application.
24 However, for an individual who has been issued Purple Heart
25 plates for a vehicle and who has been approved for benefits
26 under the Senior Citizens and Disabled Persons Property Tax

1 Relief and Pharmaceutical Assistance Act, the annual fee for
2 the registration of the vehicle shall be as provided in Section
3 3-806.3 of this Code.

4 (Source: P.A. 96-1101, eff. 1-1-11; 97-689, eff. 6-14-12.)

5 (625 ILCS 5/3-626)

6 Sec. 3-626. Korean War Veteran license plates.

7 (a) In addition to any other special license plate, the
8 Secretary, upon receipt of all applicable fees and applications
9 made in the form prescribed by the Secretary of State, may
10 issue special registration plates designated as Korean War
11 Veteran license plates to residents of Illinois who
12 participated in the United States Armed Forces during the
13 Korean War. The special plate issued under this Section shall
14 be affixed only to passenger vehicles of the first division,
15 motorcycles, motor vehicles of the second division weighing not
16 more than 8,000 pounds, and recreational vehicles as defined by
17 Section 1-169 of this Code. Plates issued under this Section
18 shall expire according to the staggered multi-year procedure
19 established by Section 3-414.1 of this Code.

20 (b) The design, color, and format of the plates shall be
21 wholly within the discretion of the Secretary of State. The
22 Secretary may, in his or her discretion, allow the plates to be
23 issued as vanity plates or personalized in accordance with
24 Section 3-405.1 of this Code. The plates are not required to
25 designate "Land Of Lincoln", as prescribed in subsection (b) of

1 Section 3-412 of this Code. The Secretary shall prescribe the
2 eligibility requirements and, in his or her discretion, shall
3 approve and prescribe stickers or decals as provided under
4 Section 3-412.

5 (c) (Blank).

6 (d) The Korean War Memorial Construction Fund is created as
7 a special fund in the State treasury. All moneys in the Korean
8 War Memorial Construction Fund shall, subject to
9 appropriation, be used by the Department of Veteran Affairs to
10 provide grants for construction of the Korean War Memorial to
11 be located at Oak Ridge Cemetery in Springfield, Illinois. Upon
12 the completion of the Memorial, the Department of Veteran
13 Affairs shall certify to the State Treasurer that the
14 construction of the Memorial has been completed. Upon the
15 certification by the Department of Veteran Affairs, the State
16 Treasurer shall transfer all moneys in the Fund and any future
17 deposits into the Fund into the Secretary of State Special
18 License Plate Fund.

19 (e) An individual who has been issued Korean War Veteran
20 license plates for a vehicle and who has been approved for
21 benefits under the Senior Citizens and Disabled Persons
22 Property Tax Relief and Pharmaceutical Assistance Act shall pay
23 the original issuance and the regular annual fee for the
24 registration of the vehicle as provided in Section 3-806.3 of
25 this Code in addition to the fees specified in subsection (c)
26 of this Section.

1 (Source: P.A. 96-1409, eff. 1-1-11; 97-689, eff. 6-14-12.)

2 (625 ILCS 5/3-667)

3 Sec. 3-667. Korean Service license plates.

4 (a) In addition to any other special license plate, the
5 Secretary, upon receipt of all applicable fees and applications
6 made in the form prescribed by the Secretary of State, may
7 issue special registration plates designated as Korean Service
8 license plates to residents of Illinois who, on or after July
9 27, 1954, participated in the United States Armed Forces in
10 Korea. The special plate issued under this Section shall be
11 affixed only to passenger vehicles of the first division,
12 motorcycles, motor vehicles of the second division weighing not
13 more than 8,000 pounds, and recreational vehicles as defined by
14 Section 1-169 of this Code. Plates issued under this Section
15 shall expire according to the staggered multi-year procedure
16 established by Section 3-414.1 of this Code.

17 (b) The design, color, and format of the plates shall be
18 wholly within the discretion of the Secretary of State. The
19 Secretary may, in his or her discretion, allow the plates to be
20 issued as vanity or personalized plates in accordance with
21 Section 3-405.1 of this Code. The plates are not required to
22 designate "Land of Lincoln", as prescribed in subsection (b) of
23 Section 3-412 of this Code. The Secretary shall prescribe the
24 eligibility requirements and, in his or her discretion, shall
25 approve and prescribe stickers or decals as provided under

1 Section 3-412.

2 (c) An applicant shall be charged a \$2 fee for original
3 issuance in addition to the applicable registration fee. This
4 additional fee shall be deposited into the Korean War Memorial
5 Construction Fund a special fund in the State treasury.

6 (d) An individual who has been issued Korean Service
7 license plates for a vehicle and who has been approved for
8 benefits under the Senior Citizens and Disabled Persons
9 Property Tax Relief and Pharmaceutical Assistance Act shall pay
10 the original issuance and the regular annual fee for the
11 registration of the vehicle as provided in Section 3-806.3 of
12 this Code in addition to the fees specified in subsection (c)
13 of this Section.

14 (Source: P.A. 97-306, eff. 1-1-12; 97-689, eff. 6-14-12.)

15 (625 ILCS 5/3-683)

16 Sec. 3-683. Distinguished Service Cross license plates.
17 The Secretary, upon receipt of an application made in the form
18 prescribed by the Secretary of State, shall issue special
19 registration plates to any Illinois resident who has been
20 awarded the Distinguished Service Cross by a branch of the
21 armed forces of the United States. The Secretary, upon receipt
22 of the proper application, shall also issue these special
23 registration plates to an Illinois resident who is the
24 surviving spouse of a person who was awarded the Distinguished
25 Service Cross by a branch of the armed forces of the United

1 States. The special plates issued under this Section should be
2 affixed only to passenger vehicles of the first division,
3 including motorcycles, or motor vehicles of the second division
4 weighing not more than 8,000 pounds.

5 The design and color of the plates shall be wholly within
6 the discretion of the Secretary of State. Appropriate
7 documentation, as determined by the Secretary, and the
8 appropriate registration fee shall accompany the application.
9 However, for an individual who has been issued Distinguished
10 Service Cross plates for a vehicle and who has been approved
11 for benefits under the Senior Citizens and Disabled Persons
12 Property Tax Relief and Pharmaceutical Assistance Act, the
13 annual fee for the registration of the vehicle shall be as
14 provided in Section 3-806.3 of this Code.

15 (Source: P.A. 96-328, eff. 8-11-09; 97-689, eff. 6-14-12.)

16 (625 ILCS 5/3-806.3) (from Ch. 95 1/2, par. 3-806.3)

17 Sec. 3-806.3. Senior Citizens. Commencing with the 2009
18 registration year, the registration fee paid by any vehicle
19 owner who has been approved for benefits under the Senior
20 Citizens and Disabled Persons Property Tax Relief and
21 Pharmaceutical Assistance Act or who is the spouse of such a
22 person shall be \$24 instead of the fee otherwise provided in
23 this Code for passenger cars displaying standard multi-year
24 registration plates issued under Section 3-414.1, motor
25 vehicles displaying special registration plates issued under

1 Section 3-609, 3-616, 3-621, 3-622, 3-623, 3-624, 3-625, 3-626,
2 3-628, 3-638, 3-642, 3-645, 3-647, 3-650, 3-651, or 3-663,
3 motor vehicles registered at 8,000 pounds or less under Section
4 3-815(a), and recreational vehicles registered at 8,000 pounds
5 or less under Section 3-815(b). Widows and widowers of
6 claimants shall also be entitled to this reduced registration
7 fee for the registration year in which the claimant was
8 eligible.

9 Commencing with the 2009 registration year, the
10 registration fee paid by any vehicle owner who has claimed and
11 received a grant under the Senior Citizens and Disabled Persons
12 Property Tax Relief and Pharmaceutical Assistance Act or who is
13 the spouse of such a person shall be \$24 instead of the fee
14 otherwise provided in this Code for passenger cars displaying
15 standard multi-year registration plates issued under Section
16 3-414.1, motor vehicles displaying special registration plates
17 issued under Section 3-607, 3-609, 3-616, 3-621, 3-622, 3-623,
18 3-624, 3-625, 3-626, 3-628, 3-638, 3-642, 3-645, 3-647, 3-650,
19 3-651, 3-663, or 3-664, motor vehicles registered at 8,000
20 pounds or less under Section 3-815(a), and recreational
21 vehicles registered at 8,000 pounds or less under Section
22 3-815(b). Widows and widowers of claimants shall also be
23 entitled to this reduced registration fee for the registration
24 year in which the claimant was eligible.

25 No more than one reduced registration fee under this
26 Section shall be allowed during any 12 month period based on

1 the primary eligibility of any individual, whether such reduced
2 registration fee is allowed to the individual or to the spouse,
3 widow or widower of such individual. This Section does not
4 apply to the fee paid in addition to the registration fee for
5 motor vehicles displaying vanity or special license plates.

6 (Source: P.A. 96-554, eff. 1-1-10; 97-689, eff. 6-14-12.)

7 (625 ILCS 5/11-1301.2) (from Ch. 95 1/2, par. 11-1301.2)

8 Sec. 11-1301.2. Special decals for parking; persons with
9 disabilities.

10 (a) The Secretary of State shall provide for, by
11 administrative rules, the design, size, color, and placement of
12 a person with disabilities motorist decal or device and shall
13 provide for, by administrative rules, the content and form of
14 an application for a person with disabilities motorist decal or
15 device, which shall be used by local authorities in the
16 issuance thereof to a person with temporary disabilities,
17 provided that the decal or device is valid for no more than 90
18 days, subject to renewal for like periods based upon continued
19 disability, and further provided that the decal or device
20 clearly sets forth the date that the decal or device expires.
21 The application shall include the requirement of an Illinois
22 Identification Card number or a State of Illinois driver's
23 license number. This decal or device may be used by the
24 authorized holder to designate and identify a vehicle not owned
25 or displaying a registration plate as provided in Sections

1 3-609 and 3-616 of this Act to designate when the vehicle is
2 being used to transport said person or persons with
3 disabilities, and thus is entitled to enjoy all the privileges
4 that would be afforded a person with disabilities licensed
5 vehicle. Person with disabilities decals or devices issued and
6 displayed pursuant to this Section shall be recognized and
7 honored by all local authorities regardless of which local
8 authority issued such decal or device.

9 The decal or device shall be issued only upon a showing by
10 adequate documentation that the person for whose benefit the
11 decal or device is to be used has a temporary disability as
12 defined in Section 1-159.1 of this Code.

13 (b) The local governing authorities shall be responsible
14 for the provision of such decal or device, its issuance and
15 designated placement within the vehicle. The cost of such decal
16 or device shall be at the discretion of such local governing
17 authority.

18 (c) The Secretary of State may, pursuant to Section
19 3-616(c), issue a person with disabilities parking decal or
20 device to a person with disabilities as defined by Section
21 1-159.1. Any person with disabilities parking decal or device
22 issued by the Secretary of State shall be registered to that
23 person with disabilities in the form to be prescribed by the
24 Secretary of State. The person with disabilities parking decal
25 or device shall not display that person's address. One
26 additional decal or device may be issued to an applicant upon

1 his or her written request and with the approval of the
2 Secretary of State. The written request must include a
3 justification of the need for the additional decal or device.

4 (c-5) Beginning January 1, 2014, the Secretary shall
5 provide by administrative rule for the issuance of a separate
6 and distinct parking decal or device for persons with
7 disabilities as defined by Section 1-159.1 of this Code. The
8 authorized holder of a decal or device issued under this
9 subsection (c-5) shall be exempt from the payment of fees
10 generated by parking in a metered space, a parking area subject
11 to paragraph (10) of subsection (a) of Section 11-209 of this
12 Code, or a publicly owned parking structure or area.

13 The Secretary shall issue a meter-exempt decal or device to
14 a person with disabilities who: (i) has been issued
15 registration plates under Section 3-609 or 3-616 of this Code
16 or a special decal or device under this Section, (ii) holds a
17 valid Illinois driver's license, ~~and~~ and (iii) is unable to do one
18 or more of the following:

19 (1) manage, manipulate, or insert coins, or obtain
20 tickets or tokens in parking meters or ticket machines in
21 parking lots or parking structures, due to the lack of fine
22 motor control of both hands;

23 (2) reach above his or her head to a height of 42
24 inches from the ground, due to a lack of finger, hand, or
25 upper extremity strength or mobility;

26 (3) approach a parking meter due to his or her use of a

1 wheelchair or other device for mobility; or

2 (4) walk more than 20 feet due to an orthopedic,
3 neurological, cardiovascular, or lung condition in which
4 the degree of debilitation is so severe that it almost
5 completely impedes the ability to walk.

6 The application for a meter-exempt parking decal or device
7 shall contain a statement certified by a licensed physician,
8 physician assistant, or advanced practice nurse attesting to
9 the nature and estimated duration of the applicant's condition
10 and verifying that the applicant meets the physical
11 qualifications specified in this subsection (c-5).

12 Notwithstanding the requirements of this subsection (c-5),
13 the Secretary shall issue a meter-exempt decal or device to a
14 person who has been issued registration plates under Section
15 3-616 of this Code or a special decal or device under this
16 Section, if the applicant is the parent or guardian of a person
17 with disabilities who is under 18 years of age and incapable of
18 driving.

19 (d) Replacement decals or devices may be issued for lost,
20 stolen, or destroyed decals upon application and payment of a
21 \$10 fee. The replacement fee may be waived for individuals that
22 have claimed and received a grant under the Senior Citizens and
23 Disabled Persons Property Tax Relief and Pharmaceutical
24 Assistance Act.

25 (Source: P.A. 96-72, eff. 1-1-10; 96-79, eff. 1-1-10; 96-1000,
26 eff. 7-2-10; 97-689, eff. 6-14-12; 97-845, eff. 1-1-13; revised

1 8-3-12.)

2 Section 2-105. The Criminal Code of 1961 is amended by
3 changing Section 17-6.5 as follows:

4 (720 ILCS 5/17-6.5)

5 Sec. 17-6.5. Persons under deportation order;
6 ineligibility for benefits.

7 (a) An individual against whom a United States Immigration
8 Judge has issued an order of deportation which has been
9 affirmed by the Board of Immigration Review, as well as an
10 individual who appeals such an order pending appeal, under
11 paragraph 19 of Section 241(a) of the Immigration and
12 Nationality Act relating to persecution of others on account of
13 race, religion, national origin or political opinion under the
14 direction of or in association with the Nazi government of
15 Germany or its allies, shall be ineligible for the following
16 benefits authorized by State law:

17 (1) The homestead exemptions and homestead improvement
18 exemption under Sections 15-170, 15-175, 15-176, and
19 15-180 of the Property Tax Code.

20 (2) Grants under the Senior Citizens and Disabled
21 Persons Property Tax Relief and Pharmaceutical Assistance
22 Act.

23 (3) The double income tax exemption conferred upon
24 persons 65 years of age or older by Section 204 of the

1 Illinois Income Tax Act.

2 (4) Grants provided by the Department on Aging.

3 (5) Reductions in vehicle registration fees under
4 Section 3-806.3 of the Illinois Vehicle Code.

5 (6) Free fishing and reduced fishing license fees under
6 Sections 20-5 and 20-40 of the Fish and Aquatic Life Code.

7 (7) Tuition free courses for senior citizens under the
8 Senior Citizen Courses Act.

9 (8) Any benefits under the Illinois Public Aid Code.

10 (b) If a person has been found by a court to have knowingly
11 received benefits in violation of subsection (a) and:

12 (1) the total monetary value of the benefits received
13 is less than \$150, the person is guilty of a Class A
14 misdemeanor; a second or subsequent violation is a Class 4
15 felony;

16 (2) the total monetary value of the benefits received
17 is \$150 or more but less than \$1,000, the person is guilty
18 of a Class 4 felony; a second or subsequent violation is a
19 Class 3 felony;

20 (3) the total monetary value of the benefits received
21 is \$1,000 or more but less than \$5,000, the person is
22 guilty of a Class 3 felony; a second or subsequent
23 violation is a Class 2 felony;

24 (4) the total monetary value of the benefits received
25 is \$5,000 or more but less than \$10,000, the person is
26 guilty of a Class 2 felony; a second or subsequent

1 violation is a Class 1 felony; or

2 (5) the total monetary value of the benefits received
3 is \$10,000 or more, the person is guilty of a Class 1
4 felony.

5 (c) For purposes of determining the classification of an
6 offense under this Section, all of the monetary value of the
7 benefits received as a result of the unlawful act, practice, or
8 course of conduct may be accumulated.

9 (d) Any grants awarded to persons described in subsection
10 (a) may be recovered by the State of Illinois in a civil action
11 commenced by the Attorney General in the circuit court of
12 Sangamon County or the State's Attorney of the county of
13 residence of the person described in subsection (a).

14 (e) An individual described in subsection (a) who has been
15 deported shall be restored to any benefits which that
16 individual has been denied under State law pursuant to
17 subsection (a) if (i) the Attorney General of the United States
18 has issued an order cancelling deportation and has adjusted the
19 status of the individual to that of an alien lawfully admitted
20 for permanent residence in the United States or (ii) the
21 country to which the individual has been deported adjudicates
22 or exonerates the individual in a judicial or administrative
23 proceeding as not being guilty of the persecution of others on
24 account of race, religion, national origin, or political
25 opinion under the direction of or in association with the Nazi
26 government of Germany or its allies.

1 (Source: P.A. 96-1551, eff. 7-1-11; 97-689, eff. 6-14-12.)

2 Section 2-106. The Code of Civil Procedure is amended by
3 changing Section 5-105 as follows:

4 (735 ILCS 5/5-105) (from Ch. 110, par. 5-105)

5 Sec. 5-105. Leave to sue or defend as an indigent person.

6 (a) As used in this Section:

7 (1) "Fees, costs, and charges" means payments imposed
8 on a party in connection with the prosecution or defense of
9 a civil action, including, but not limited to: filing fees;
10 appearance fees; fees for service of process and other
11 papers served either within or outside this State,
12 including service by publication pursuant to Section 2-206
13 of this Code and publication of necessary legal notices;
14 motion fees; jury demand fees; charges for participation
15 in, or attendance at, any mandatory process or procedure
16 including, but not limited to, conciliation, mediation,
17 arbitration, counseling, evaluation, "Children First",
18 "Focus on Children" or similar programs; fees for
19 supplementary proceedings; charges for translation
20 services; guardian ad litem fees; charges for certified
21 copies of court documents; and all other processes and
22 procedures deemed by the court to be necessary to commence,
23 prosecute, defend, or enforce relief in a civil action.

24 (2) "Indigent person" means any person who meets one or

1 more of the following criteria:

2 (i) He or she is receiving assistance under one or
3 more of the following public benefits programs:
4 Supplemental Security Income (SSI), Aid to the Aged,
5 Blind and Disabled (AABD), Temporary Assistance for
6 Needy Families (TANF), Food Stamps, General
7 Assistance, State Transitional Assistance, or State
8 Children and Family Assistance.

9 (ii) His or her available income is 125% or less of
10 the current poverty level as established by the United
11 States Department of Health and Human Services, unless
12 the applicant's assets that are not exempt under Part 9
13 or 10 of Article XII of this Code are of a nature and
14 value that the court determines that the applicant is
15 able to pay the fees, costs, and charges.

16 (iii) He or she is, in the discretion of the court,
17 unable to proceed in an action without payment of fees,
18 costs, and charges and whose payment of those fees,
19 costs, and charges would result in substantial
20 hardship to the person or his or her family.

21 (iv) He or she is an indigent person pursuant to
22 Section 5-105.5 of this Code.

23 (b) On the application of any person, before, or after the
24 commencement of an action, a court, on finding that the
25 applicant is an indigent person, shall grant the applicant
26 leave to sue or defend the action without payment of the fees,

1 costs, and charges of the action.

2 (c) An application for leave to sue or defend an action as
3 an indigent person shall be in writing and supported by the
4 affidavit of the applicant or, if the applicant is a minor or
5 an incompetent adult, by the affidavit of another person having
6 knowledge of the facts. The contents of the affidavit shall be
7 established by Supreme Court Rule. The court shall provide,
8 through the office of the clerk of the court, simplified forms
9 consistent with the requirements of this Section and applicable
10 Supreme Court Rules to any person seeking to sue or defend an
11 action who indicates an inability to pay the fees, costs, and
12 charges of the action. The application and supporting affidavit
13 may be incorporated into one simplified form. The clerk of the
14 court shall post in a conspicuous place in the courthouse a
15 notice no smaller than 8.5 x 11 inches, using no smaller than
16 30-point typeface printed in English and in Spanish, advising
17 the public that they may ask the court for permission to sue or
18 defend a civil action without payment of fees, costs, and
19 charges. The notice shall be substantially as follows:

20 "If you are unable to pay the fees, costs, and charges
21 of an action you may ask the court to allow you to proceed
22 without paying them. Ask the clerk of the court for forms."

23 (d) The court shall rule on applications under this Section
24 in a timely manner based on information contained in the
25 application unless the court, in its discretion, requires the
26 applicant to personally appear to explain or clarify

1 information contained in the application. If the court finds
2 that the applicant is an indigent person, the court shall enter
3 an order permitting the applicant to sue or defend without
4 payment of fees, costs, or charges. If the application is
5 denied, the court shall enter an order to that effect stating
6 the specific reasons for the denial. The clerk of the court
7 shall promptly mail or deliver a copy of the order to the
8 applicant.

9 (e) The clerk of the court shall not refuse to accept and
10 file any complaint, appearance, or other paper presented by the
11 applicant if accompanied by an application to sue or defend in
12 forma pauperis, and those papers shall be considered filed on
13 the date the application is presented. If the application is
14 denied, the order shall state a date certain by which the
15 necessary fees, costs, and charges must be paid. The court, for
16 good cause shown, may allow an applicant whose application is
17 denied to defer payment of fees, costs, and charges, make
18 installment payments, or make payment upon reasonable terms and
19 conditions stated in the order. The court may dismiss the
20 claims or defenses of any party failing to pay the fees, costs,
21 or charges within the time and in the manner ordered by the
22 court. A determination concerning an application to sue or
23 defend in forma pauperis shall not be construed as a ruling on
24 the merits.

25 (f) The court may order an indigent person to pay all or a
26 portion of the fees, costs, or charges waived pursuant to this

1 Section out of moneys recovered by the indigent person pursuant
2 to a judgment or settlement resulting from the civil action.
3 However, nothing in this Section shall be construed to limit
4 the authority of a court to order another party to the action
5 to pay the fees, costs, or charges of the action.

6 (g) A court, in its discretion, may appoint counsel to
7 represent an indigent person, and that counsel shall perform
8 his or her duties without fees, charges, or reward.

9 (h) Nothing in this Section shall be construed to affect
10 the right of a party to sue or defend an action in forma
11 pauperis without the payment of fees, costs, or charges, or the
12 right of a party to court-appointed counsel, as authorized by
13 any other provision of law or by the rules of the Illinois
14 Supreme Court.

15 (i) The provisions of this Section are severable under
16 Section 1.31 of the Statute on Statutes.

17 (Source: P.A. 97-689, eff. 6-14-12; 97-813, eff. 7-13-12.)

18 Section 2-107. The Unemployment Insurance Act is amended by
19 changing Sections 1400.2, 1402, 1404, 1405, 1801.1, and 1900 as
20 follows:

21 (820 ILCS 405/1400.2)

22 Sec. 1400.2. Annual reporting and paying; household
23 workers. This Section applies to an employer who solely employs
24 one or more household workers with respect to whom the employer

1 files federal unemployment taxes as part of his or her federal
2 income tax return, or could file federal unemployment taxes as
3 part of his or her federal income tax return if the worker or
4 workers were providing services in employment for purposes of
5 the federal unemployment tax. For purposes of this Section,
6 "household worker" has the meaning ascribed to it for purposes
7 of Section 3510 of the federal Internal Revenue Code. If an
8 employer to whom this Section applies notifies the Director, in
9 writing, that he or she wishes to pay his or her contributions
10 for each quarter and submit his or her wage and contribution
11 reports for each ~~month or~~ quarter, ~~as the case may be,~~ on an
12 annual basis, then the due date for filing the reports and
13 paying the contributions shall be April 15 of the calendar year
14 immediately following the close of the ~~months or~~ quarters to
15 which the reports and ~~quarters to which the~~ contributions
16 apply, except that the Director may, by rule, establish a
17 different due date for good cause.

18 (Source: P.A. 97-689, eff. 6-14-12.)

19 (820 ILCS 405/1402) (from Ch. 48, par. 552)

20 Sec. 1402. Penalties.

21 A. If any employer fails, within the time prescribed in
22 this Act as amended and in effect on October 5, 1980, and the
23 regulations of the Director, to file a report of wages paid to
24 each of his workers, or to file a sufficient report of such
25 wages after having been notified by the Director to do so, for

1 any period which begins prior to January 1, 1982, he shall pay
2 to the Department as a penalty a sum determined in accordance
3 with the provisions of this Act as amended and in effect on
4 October 5, 1980.

5 B. Except as otherwise provided in this Section, any
6 employer who fails to file a report of wages paid to each of
7 his workers for any period which begins on or after January 1,
8 1982, within the time prescribed by the provisions of this Act
9 and the regulations of the Director, or, if the Director
10 pursuant to such regulations extends the time for filing the
11 report, fails to file it within the extended time, shall, in
12 addition to any sum otherwise payable by him under the
13 provisions of this Act, pay to the Department as a penalty a
14 sum equal to the lesser of (1) \$5 for each \$10,000 or fraction
15 thereof of the total wages for insured work paid by him during
16 the period or (2) \$2,500, for each month or part thereof of
17 such failure to file the report. With respect to an employer
18 who has elected to file reports of wages on an annual basis
19 pursuant to Section 1400.2, in assessing penalties for the
20 failure to submit all reports by the due date established
21 pursuant to that Section, the 30-day period immediately
22 following the due date shall be considered as one month.

23 If the Director deems an employer's report of wages paid to
24 each of his workers for any period which begins on or after
25 January 1, 1982, insufficient, he shall notify the employer to
26 file a sufficient report. If the employer fails to file such

1 sufficient report within 30 days after the mailing of the
2 notice to him, he shall, in addition to any sum otherwise
3 payable by him under the provisions of this Act, pay to the
4 Department as a penalty a sum determined in accordance with the
5 provisions of the first paragraph of this subsection, for each
6 month or part thereof of such failure to file such sufficient
7 report after the date of the notice.

8 For wages paid in calendar years prior to 1988, the penalty
9 or penalties which accrue under the two foregoing paragraphs
10 with respect to a report for any period shall not be less than
11 \$100, and shall not exceed the lesser of (1) \$10 for each
12 \$10,000 or fraction thereof of the total wages for insured work
13 paid during the period or (2) \$5,000. For wages paid in
14 calendar years after 1987, the penalty or penalties which
15 accrue under the 2 foregoing paragraphs with respect to a
16 report for any period shall not be less than \$50, and shall not
17 exceed the lesser of (1) \$10 for each \$10,000 or fraction of
18 the total wages for insured work paid during the period or (2)
19 \$5,000. With respect to an employer who has elected to file
20 reports of wages on an annual basis pursuant to Section 1400.2,
21 for purposes of calculating the minimum penalty prescribed by
22 this Section for failure to file the reports on a timely basis,
23 a calendar year shall constitute a single period. For reports
24 of wages paid after 1986, the Director shall not, however,
25 impose a penalty pursuant to either of the two foregoing
26 paragraphs on any employer who can prove within 30 working days

1 after the mailing of a notice of his failure to file such a
2 report, that (1) the failure to file the report is his first
3 such failure during the previous 20 consecutive calendar
4 quarters, and (2) the amount of the total contributions due for
5 the calendar quarter of such report ~~(or, in the case of an~~
6 ~~employer who is required to file the reports on a monthly~~
7 ~~basis, the amount of the total contributions due for the~~
8 ~~calendar quarter that includes the month of such report)~~ is
9 less than \$500.

10 ~~For any month which begins on or after January 1, 2013, a~~
11 ~~report of the wages paid to each of an employer's workers shall~~
12 ~~be due on or before the last day of the month next following~~
13 ~~the calendar month in which the wages were paid if the employer~~
14 ~~is required to report such wages electronically pursuant to the~~
15 ~~regulations of the Director; otherwise a report of the wages~~
16 ~~paid to each of the employer's workers shall be due on or~~
17 ~~before the last day of the month next following the calendar~~
18 ~~quarter in which the wages were paid.~~

19 Any employer who wilfully fails to pay any contribution or
20 part thereof, based upon wages paid prior to 1987, when
21 required by the provisions of this Act and the regulations of
22 the Director, with intent to defraud the Director, shall in
23 addition to such contribution or part thereof pay to the
24 Department a penalty equal to 50 percent of the amount of such
25 contribution or part thereof, as the case may be, provided that
26 the penalty shall not be less than \$200.

1 Any employer who willfully fails to pay any contribution or
2 part thereof, based upon wages paid in 1987 and in each
3 calendar year thereafter, when required by the provisions of
4 this Act and the regulations of the Director, with intent to
5 defraud the Director, shall in addition to such contribution or
6 part thereof pay to the Department a penalty equal to 60% of
7 the amount of such contribution or part thereof, as the case
8 may be, provided that the penalty shall not be less than \$400.

9 However, all or part of any penalty may be waived by the
10 Director for good cause shown.

11 (Source: P.A. 97-689, eff. 6-14-12; 97-791, eff. 1-1-13;
12 revised 7-23-12.)

13 (820 ILCS 405/1404) (from Ch. 48, par. 554)

14 Sec. 1404. Payments in lieu of contributions by nonprofit
15 organizations.

16 A. For the year 1972 and for each calendar year thereafter,
17 contributions shall accrue and become payable, pursuant to
18 Section 1400, by each nonprofit organization (defined in
19 Section 211.2) upon the wages paid by it with respect to
20 employment after 1971, unless the nonprofit organization
21 elects, in accordance with the provisions of this Section, to
22 pay, in lieu of contributions, an amount equal to the amount of
23 regular benefits and one-half the amount of extended benefits
24 (defined in Section 409) paid to individuals, for any weeks
25 which begin on or after the effective date of the election, on

1 the basis of wages for insured work paid to them by such
2 nonprofit organization during the effective period of such
3 election. Notwithstanding the preceding provisions of this
4 subsection and the provisions of subsection D, with respect to
5 benefit years beginning prior to July 1, 1989, any adjustment
6 after September 30, 1989 to the base period wages paid to the
7 individual by any employer shall not affect the ratio for
8 determining the payments in lieu of contributions of a
9 nonprofit organization which has elected to make payments in
10 lieu of contributions. Provided, however, that with respect to
11 benefit years beginning on or after July 1, 1989, the nonprofit
12 organization shall be required to make payments equal to 100%
13 of regular benefits, including dependents' allowances, and 50%
14 of extended benefits, including dependents' allowances, paid
15 to an individual with respect to benefit years beginning during
16 the effective period of the election, but only if the nonprofit
17 organization: (a) is the last employer as provided in Section
18 1502.1 and (b) paid to the individual receiving benefits, wages
19 for insured work during his base period. If the nonprofit
20 organization described in this paragraph meets the
21 requirements of (a) but not (b), with respect to benefit years
22 beginning on or after July 1, 1989, it shall be required to
23 make payments in an amount equal to 50% of regular benefits,
24 including dependents' allowances, and 25% of extended
25 benefits, including dependents' allowances, paid to an
26 individual with respect to benefit years beginning during the

1 effective period of the election.

2 1. Any employing unit which becomes a nonprofit
3 organization on January 1, 1972, may elect to make payments
4 in lieu of contributions for not less than one calendar
5 year beginning with January 1, 1972, provided that it files
6 its written election with the Director not later than
7 January 31, 1972.

8 2. Any employing unit which becomes a nonprofit
9 organization after January 1, 1972, may elect to make
10 payments in lieu of contributions for a period of not less
11 than one calendar year beginning as of the first day with
12 respect to which it would, in the absence of its election,
13 incur liability for the payment of contributions, provided
14 that it files its written election with the Director not
15 later than 30 days immediately following the end of the
16 calendar quarter in which it becomes a nonprofit
17 organization.

18 3. A nonprofit organization which has incurred
19 liability for the payment of contributions for at least 2
20 calendar years and is not delinquent in such payment and in
21 the payment of any interest or penalties which may have
22 accrued, may elect to make payments in lieu of
23 contributions beginning January 1 of any calendar year,
24 provided that it files its written election with the
25 Director prior to such January 1, and provided, further,
26 that such election shall be for a period of not less than 2

1 calendar years.

2 4. An election to make payments in lieu of
3 contributions shall not terminate any liability incurred
4 by an employer for the payment of contributions, interest
5 or penalties with respect to any calendar quarter ~~(or~~
6 ~~month, as the case may be)~~ which ends prior to the
7 effective period of the election.

8 5. A nonprofit organization which has elected,
9 pursuant to paragraph 1, 2, or 3, to make payments in lieu
10 of contributions may terminate the effective period of the
11 election as of January 1 of any calendar year subsequent to
12 the required minimum period of the election only if, prior
13 to such January 1, it files with the Director a written
14 notice to that effect. Upon such termination, the
15 organization shall become liable for the payment of
16 contributions upon wages for insured work paid by it on and
17 after such January 1 and, notwithstanding such
18 termination, it shall continue to be liable for payments in
19 lieu of contributions with respect to benefits paid to
20 individuals on and after such January 1, with respect to
21 benefit years beginning prior to July 1, 1989, on the basis
22 of wages for insured work paid to them by the nonprofit
23 organization prior to such January 1, and, with respect to
24 benefit years beginning after June 30, 1989, if such
25 employer was the last employer as provided in Section
26 1502.1 during a benefit year beginning prior to such

1 January 1.

2 6. Written elections to make payments in lieu of
3 contributions and written notices of termination of
4 election shall be filed in such form and shall contain such
5 information as the Director may prescribe. Upon the filing
6 of such election or notice, the Director shall either order
7 it approved, or, if it appears to the Director that the
8 nonprofit organization has not filed such election or
9 notice within the time prescribed, he shall order it
10 disapproved. The Director shall serve notice of his order
11 upon the nonprofit organization. The Director's order
12 shall be final and conclusive upon the nonprofit
13 organization unless, within 15 days after the date of
14 mailing of notice thereof, the nonprofit organization
15 files with the Director an application for its review,
16 setting forth its reasons in support thereof. Upon receipt
17 of an application for review within the time prescribed,
18 the Director shall order it allowed, or shall order that it
19 be denied, and shall serve notice upon the nonprofit
20 organization of his order. All of the provisions of Section
21 1509, applicable to orders denying applications for review
22 of determinations of employers' rates of contribution and
23 not inconsistent with the provisions of this subsection,
24 shall be applicable to an order denying an application for
25 review filed pursuant to this subsection.

26 B. As soon as practicable following the close of each

1 calendar quarter, the Director shall mail to each nonprofit
2 organization which has elected to make payments in lieu of
3 contributions a Statement of the amount due from it for the
4 regular and one-half the extended benefits paid (or the amounts
5 otherwise provided for in subsection A) during the calendar
6 quarter, together with the names of its workers or former
7 workers and the amounts of benefits paid to each of them during
8 the calendar quarter, with respect to benefit years beginning
9 prior to July 1, 1989, on the basis of wages for insured work
10 paid to them by the nonprofit organization; or, with respect to
11 benefit years beginning after June 30, 1989, if such nonprofit
12 organization was the last employer as provided in Section
13 1502.1 with respect to a benefit year beginning during the
14 effective period of the election. The amount due shall be
15 payable, and the nonprofit organization shall make payment of
16 such amount not later than 30 days after the date of mailing of
17 the Statement. The Statement shall be final and conclusive upon
18 the nonprofit organization unless, within 20 days after the
19 date of mailing of the Statement, the nonprofit organization
20 files with the Director an application for revision thereof.
21 Such application shall specify wherein the nonprofit
22 organization believes the Statement to be incorrect, and shall
23 set forth its reasons for such belief. All of the provisions of
24 Section 1508, applicable to applications for revision of
25 Statements of Benefit Wages and Statements of Benefit Charges
26 and not inconsistent with the provisions of this subsection,

1 shall be applicable to an application for revision of a
2 Statement filed pursuant to this subsection.

3 1. Payments in lieu of contributions made by any
4 nonprofit organization shall not be deducted or
5 deductible, in whole or in part, from the remuneration of
6 individuals in the employ of the organization, nor shall
7 any nonprofit organization require or accept any waiver of
8 any right under this Act by an individual in its employ.
9 The making of any such deduction or the requirement or
10 acceptance of any such waiver is a Class A misdemeanor. Any
11 agreement by an individual in the employ of any person or
12 concern to pay all or any portion of a payment in lieu of
13 contributions, required under this Act from a nonprofit
14 organization, is void.

15 2. A nonprofit organization which fails to make any
16 payment in lieu of contributions when due under the
17 provisions of this subsection shall pay interest thereon at
18 the rates specified in Section 1401. A nonprofit
19 organization which has elected to make payments in lieu of
20 contributions shall be subject to the penalty provisions of
21 Section 1402. In the making of any payment in lieu of
22 contributions or in the payment of any interest or
23 penalties, a fractional part of a cent shall be disregarded
24 unless it amounts to one-half cent or more, in which case
25 it shall be increased to one cent.

26 3. All of the remedies available to the Director under

1 the provisions of this Act or of any other law to enforce
2 the payment of contributions, interest, or penalties under
3 this Act, including the making of determinations and
4 assessments pursuant to Section 2200, are applicable to the
5 enforcement of payments in lieu of contributions and of
6 interest and penalties, due under the provisions of this
7 Section. For the purposes of this paragraph, the term
8 "contribution" or "contributions" which appears in any
9 such provision means "payment in lieu of contributions" or
10 "payments in lieu of contributions." The term
11 "contribution" which appears in Section 2800 also means
12 "payment in lieu of contributions."

13 4. All of the provisions of Sections 2201 and 2201.1,
14 applicable to adjustment or refund of contributions,
15 interest and penalties erroneously paid and not
16 inconsistent with the provisions of this Section, shall be
17 applicable to payments in lieu of contributions
18 erroneously made or interest or penalties erroneously paid
19 by a nonprofit organization.

20 5. Payment in lieu of contributions shall be due with
21 respect to any sum erroneously paid as benefits to an
22 individual unless such sum has been recouped pursuant to
23 Section 900 or has otherwise been recovered. If such
24 payment in lieu of contributions has been made, the amount
25 thereof shall be adjusted or refunded in accordance with
26 the provisions of paragraph 4 and Section 2201 if

1 recoupment or other recovery has been made.

2 6. A nonprofit organization which has elected to make
3 payments in lieu of contributions and thereafter ceases to
4 be an employer shall continue to be liable for payments in
5 lieu of contributions with respect to benefits paid to
6 individuals on and after the date it has ceased to be an
7 employer, with respect to benefit years beginning prior to
8 July 1, 1989, on the basis of wages for insured work paid
9 to them by it prior to the date it ceased to be an
10 employer, and, with respect to benefit years beginning
11 after June 30, 1989, if such employer was the last employer
12 as provided in Section 1502.1 prior to the date that it
13 ceased to be an employer.

14 7. With respect to benefit years beginning prior to
15 July 1, 1989, wages paid to an individual during his base
16 period, by a nonprofit organization which elects to make
17 payments in lieu of contributions, for less than full time
18 work, performed during the same weeks in the base period
19 during which the individual had other insured work, shall
20 not be subject to payments in lieu of contributions (upon
21 such employer's request pursuant to the regulation of the
22 Director) so long as the employer continued after the end
23 of the base period, and continues during the applicable
24 benefit year, to furnish such less than full time work to
25 the individual on the same basis and in substantially the
26 same amount as during the base period. If the individual is

1 paid benefits with respect to a week (in the applicable
2 benefit year) after the employer has ceased to furnish the
3 work hereinabove described, the nonprofit organization
4 shall be liable for payments in lieu of contributions with
5 respect to the benefits paid to the individual after the
6 date on which the nonprofit organization ceases to furnish
7 the work.

8 C. With respect to benefit years beginning prior to July 1,
9 1989, whenever benefits have been paid to an individual on the
10 basis of wages for insured work paid to him by a nonprofit
11 organization, and the organization incurred liability for the
12 payment of contributions on some of the wages because only a
13 part of the individual's base period was within the effective
14 period of the organization's written election to make payments
15 in lieu of contributions, the organization shall pay an amount
16 in lieu of contributions which bears the same ratio to the
17 total benefits paid to the individual as the total wages for
18 insured work paid to him during the base period by the
19 organization upon which it did not incur liability for the
20 payment of contributions (for the aforesaid reason) bear to the
21 total wages for insured work paid to the individual during the
22 base period by the organization.

23 D. With respect to benefit years beginning prior to July 1,
24 1989, whenever benefits have been paid to an individual on the
25 basis of wages for insured work paid to him by a nonprofit
26 organization which has elected to make payments in lieu of

1 contributions, and by one or more other employers, the
2 nonprofit organization shall pay an amount in lieu of
3 contributions which bears the same ratio to the total benefits
4 paid to the individual as the wages for insured work paid to
5 the individual during his base period by the nonprofit
6 organization bear to the total wages for insured work paid to
7 the individual during the base period by all of the employers.
8 If the nonprofit organization incurred liability for the
9 payment of contributions on some of the wages for insured work
10 paid to the individual, it shall be treated, with respect to
11 such wages, as one of the other employers for the purposes of
12 this paragraph.

13 E. Two or more nonprofit organizations which have elected
14 to make payments in lieu of contributions may file a joint
15 application with the Director for the establishment of a group
16 account, effective January 1 of any calendar year, for the
17 purpose of sharing the cost of benefits paid on the basis of
18 the wages for insured work paid by such nonprofit
19 organizations, provided that such joint application is filed
20 with the Director prior to such January 1. The application
21 shall identify and authorize a group representative to act as
22 the group's agent for the purposes of this paragraph, and shall
23 be filed in such form and shall contain such information as the
24 Director may prescribe. Upon his approval of a joint
25 application, the Director shall, by order, establish a group
26 account for the applicants and shall serve notice upon the

1 group's representative of such order. Such account shall remain
2 in effect for not less than 2 calendar years and thereafter
3 until terminated by the Director for good cause or, as of the
4 close of any calendar quarter, upon application by the group.
5 Upon establishment of the account, the group shall be liable to
6 the Director for payments in lieu of contributions in an amount
7 equal to the total amount for which, in the absence of the
8 group account, liability would have been incurred by all of its
9 members; provided, with respect to benefit years beginning
10 prior to July 1, 1989, that the liability of any member to the
11 Director with respect to any payment in lieu of contributions,
12 interest or penalties not paid by the group when due with
13 respect to any calendar quarter shall be in an amount which
14 bears the same ratio to the total benefits paid during such
15 quarter on the basis of the wages for insured work paid by all
16 members of the group as the total wages for insured work paid
17 by such member during such quarter bear to the total wages for
18 insured work paid during the quarter by all members of the
19 group, and, with respect to benefit years beginning on or after
20 July 1, 1989, that the liability of any member to the Director
21 with respect to any payment in lieu of contributions, interest
22 or penalties not paid by the group when due with respect to any
23 calendar quarter shall be in an amount which bears the same
24 ratio to the total benefits paid during such quarter to
25 individuals with respect to whom any member of the group was
26 the last employer as provided in Section 1502.1 as the total

1 wages for insured work paid by such member during such quarter
2 bear to the total wages for insured work paid during the
3 quarter by all members of the group. ~~With respect to calendar~~
4 ~~months and quarters beginning on or after January 1, 2013, the~~
5 ~~liability of any member to the Director with respect to any~~
6 ~~penalties that are assessed for failure to file a timely and~~
7 ~~sufficient report of wages and which are not paid by the group~~
8 ~~when due with respect to the calendar month or quarter, as the~~
9 ~~case may be, shall be in an amount which bears the same ratio~~
10 ~~to the total penalties due with respect to such month or~~
11 ~~quarter as the total wages for insured work paid by such member~~
12 ~~during such month or quarter bear to the total wages for~~
13 ~~insured work paid during the month or quarter by all members of~~
14 ~~the group.~~ All of the provisions of this Section applicable to
15 nonprofit organizations which have elected to make payments in
16 lieu of contributions, and not inconsistent with the provisions
17 of this paragraph, shall apply to a group account and, upon its
18 termination, to each former member thereof. The Director shall
19 by regulation prescribe the conditions for establishment,
20 maintenance and termination of group accounts, and for addition
21 of new members to and withdrawal of active members from such
22 accounts.

23 F. Whenever service of notice is required by this Section,
24 such notice may be given and be complete by depositing it with
25 the United States Mail, addressed to the nonprofit organization
26 (or, in the case of a group account, to its representative) at

1 its last known address. If such organization is represented by
2 counsel in proceedings before the Director, service of notice
3 may be made upon the nonprofit organization by mailing the
4 notice to such counsel.

5 (Source: P.A. 97-689, eff. 6-14-12.)

6 (820 ILCS 405/1405) (from Ch. 48, par. 555)

7 Sec. 1405. Financing Benefits for Employees of Local
8 Governments.

9 A. 1. For the year 1978 and for each calendar year
10 thereafter, contributions shall accrue and become payable,
11 pursuant to Section 1400, by each governmental entity (other
12 than the State of Illinois and its wholly owned
13 instrumentalities) referred to in clause (B) of Section 211.1,
14 upon the wages paid by such entity with respect to employment
15 after 1977, unless the entity elects to make payments in lieu
16 of contributions pursuant to the provisions of subsection B.
17 Notwithstanding the provisions of Sections 1500 to 1510,
18 inclusive, a governmental entity which has not made such
19 election shall, for liability for contributions incurred prior
20 to January 1, 1984, pay contributions equal to 1 percent with
21 respect to wages for insured work paid during each such
22 calendar year or portion of such year as may be applicable. As
23 used in this subsection, the word "wages", defined in Section
24 234, is subject to all of the provisions of Section 235.

25 2. An Indian tribe for which service is exempted from the

1 federal unemployment tax under Section 3306(c)(7) of the
2 Federal Unemployment Tax Act may elect to make payments in lieu
3 of contributions in the same manner and subject to the same
4 conditions as provided in this Section with regard to
5 governmental entities, except as otherwise provided in
6 paragraphs 7, 8, and 9 of subsection B.

7 B. Any governmental entity subject to subsection A may
8 elect to make payments in lieu of contributions, in amounts
9 equal to the amounts of regular and extended benefits paid to
10 individuals, for any weeks which begin on or after the
11 effective date of the election, on the basis of wages for
12 insured work paid to them by the entity during the effective
13 period of such election. Notwithstanding the preceding
14 provisions of this subsection and the provisions of subsection
15 D of Section 1404, with respect to benefit years beginning
16 prior to July 1, 1989, any adjustment after September 30, 1989
17 to the base period wages paid to the individual by any employer
18 shall not affect the ratio for determining payments in lieu of
19 contributions of a governmental entity which has elected to
20 make payments in lieu of contributions. Provided, however, that
21 with respect to benefit years beginning on or after July 1,
22 1989, the governmental entity shall be required to make
23 payments equal to 100% of regular benefits, including
24 dependents' allowances, and 100% of extended benefits,
25 including dependents' allowances, paid to an individual with
26 respect to benefit years beginning during the effective period

1 of the election, but only if the governmental entity: (a) is
2 the last employer as provided in Section 1502.1 and (b) paid to
3 the individual receiving benefits, wages for insured work
4 during his base period. If the governmental entity described in
5 this paragraph meets the requirements of (a) but not (b), with
6 respect to benefit years beginning on or after July 1, 1989, it
7 shall be required to make payments in an amount equal to 50% of
8 regular benefits, including dependents' allowances, and 50% of
9 extended benefits, including dependents' allowances, paid to
10 an individual with respect to benefit years beginning during
11 the effective period of the election.

12 1. Any such governmental entity which becomes an employer
13 on January 1, 1978 pursuant to Section 205 may elect to make
14 payments in lieu of contributions for not less than one
15 calendar year beginning with January 1, 1978, provided that it
16 files its written election with the Director not later than
17 January 31, 1978.

18 2. A governmental entity newly created after January 1,
19 1978, may elect to make payments in lieu of contributions for a
20 period of not less than one calendar year beginning as of the
21 first day with respect to which it would, in the absence of its
22 election, incur liability for the payment of contributions,
23 provided that it files its written election with the Director
24 not later than 30 days immediately following the end of the
25 calendar quarter in which it has been created.

26 3. A governmental entity which has incurred liability for

1 the payment of contributions for at least 2 calendar years, and
2 is not delinquent in such payment and in the payment of any
3 interest or penalties which may have accrued, may elect to make
4 payments in lieu of contributions beginning January 1 of any
5 calendar year, provided that it files its written election with
6 the Director prior to such January 1, and provided, further,
7 that such election shall be for a period of not less than 2
8 calendar years.

9 4. An election to make payments in lieu of contributions
10 shall not terminate any liability incurred by a governmental
11 entity for the payment of contributions, interest or penalties
12 with respect to any calendar quarter ~~(or month, as the case may~~
13 ~~be)~~ which ends prior to the effective period of the election.

14 5. The termination by a governmental entity of the
15 effective period of its election to make payments in lieu of
16 contributions, and the filing of and subsequent action upon
17 written notices of termination of election, shall be governed
18 by the provisions of paragraphs 5 and 6 of Section 1404A,
19 pertaining to nonprofit organizations.

20 6. With respect to benefit years beginning prior to July 1,
21 1989, wages paid to an individual during his base period by a
22 governmental entity which elects to make payments in lieu of
23 contributions for less than full time work, performed during
24 the same weeks in the base period during which the individual
25 had other insured work, shall not be subject to payments in
26 lieu of contribution (upon such employer's request pursuant to

1 the regulation of the Director) so long as the employer
2 continued after the end of the base period, and continues
3 during the applicable benefit year, to furnish such less than
4 full time work to the individual on the same basis and in
5 substantially the same amount as during the base period. If the
6 individual is paid benefits with respect to a week (in the
7 applicable benefit year) after the employer has ceased to
8 furnish the work hereinabove described, the governmental
9 entity shall be liable for payments in lieu of contributions
10 with respect to the benefits paid to the individual after the
11 date on which the governmental entity ceases to furnish the
12 work.

13 7. An Indian tribe may elect to make payments in lieu of
14 contributions for calendar year 2003, provided that it files
15 its written election with the Director not later than January
16 31, 2003, and provided further that it is not delinquent in the
17 payment of any contributions, interest, or penalties.

18 8. Failure of an Indian tribe to make a payment in lieu of
19 contributions, or a payment of interest or penalties due under
20 this Act, within 90 days after the Department serves notice of
21 the finality of a determination and assessment shall cause the
22 Indian tribe to lose the option of making payments in lieu of
23 contributions, effective as of the calendar year immediately
24 following the date on which the Department serves the notice.
25 Notice of the loss of the option to make payments in lieu of
26 contributions may be protested in the same manner as a

1 determination and assessment under Section 2200 of this Act.

2 9. An Indian tribe that, pursuant to paragraph 8, loses the
3 option of making payments in lieu of contributions may again
4 elect to make payments in lieu of contributions for a calendar
5 year if: (a) the Indian tribe has incurred liability for the
6 payment of contributions for at least one calendar year since
7 losing the option pursuant to paragraph 8, (b) the Indian tribe
8 is not delinquent in the payment of any liabilities under the
9 Act, including interest or penalties, and (c) the Indian tribe
10 files its written election with the Director not later than
11 January 31 of the year with respect to which it is making the
12 election.

13 C. As soon as practicable following the close of each
14 calendar quarter, the Director shall mail to each governmental
15 entity which has elected to make payments in lieu of
16 contributions a Statement of the amount due from it for all the
17 regular and extended benefits paid during the calendar quarter,
18 together with the names of its workers or former workers and
19 the amounts of benefits paid to each of them during the
20 calendar quarter with respect to benefit years beginning prior
21 to July 1, 1989, on the basis of wages for insured work paid to
22 them by the governmental entity; or, with respect to benefit
23 years beginning after June 30, 1989, if such governmental
24 entity was the last employer as provided in Section 1502.1 with
25 respect to a benefit year beginning during the effective period
26 of the election. All of the provisions of subsection B of

1 Section 1404 pertaining to nonprofit organizations, not
2 inconsistent with the preceding sentence, shall be applicable
3 to payments in lieu of contributions by a governmental entity.

4 D. The provisions of subsections C through F, inclusive, of
5 Section 1404, pertaining to nonprofit organizations, shall be
6 applicable to each governmental entity which has elected to
7 make payments in lieu of contributions.

8 E. 1. If an Indian tribe fails to pay any liability under
9 this Act (including assessments of interest or penalty) within
10 90 days after the Department issues a notice of the finality of
11 a determination and assessment, the Director shall immediately
12 notify the United States Internal Revenue Service and the
13 United States Department of Labor.

14 2. Notices of payment and reporting delinquencies to Indian
15 tribes shall include information that failure to make full
16 payment within the prescribed time frame:

17 a. will cause the Indian tribe to lose the exemption
18 provided by Section 3306(c)(7) of the Federal Unemployment
19 Tax Act with respect to the federal unemployment tax;

20 b. will cause the Indian tribe to lose the option to
21 make payments in lieu of contributions.

22 (Source: P.A. 97-689, eff. 6-14-12.)

23 (820 ILCS 405/1801.1)

24 Sec. 1801.1. Directory of New Hires.

25 A. The Director shall establish and operate an automated

1 directory of newly hired employees which shall be known as the
2 "Illinois Directory of New Hires" which shall contain the
3 information required to be reported by employers to the
4 Department under subsection B. In the administration of the
5 Directory, the Director shall comply with any requirements
6 concerning the Employer New Hire Reporting Program established
7 by the federal Personal Responsibility and Work Opportunity
8 Reconciliation Act of 1996. The Director is authorized to use
9 the information contained in the Directory of New Hires to
10 administer any of the provisions of this Act.

11 B. Each employer in Illinois, except a department, agency,
12 or instrumentality of the United States, shall file with the
13 Department a report in accordance with rules adopted by the
14 Department (but in any event not later than 20 days after the
15 date the employer hires the employee or, in the case of an
16 employer transmitting reports magnetically or electronically,
17 by 2 monthly transmissions, if necessary, not less than 12 days
18 nor more than 16 days apart) providing the following
19 information concerning each newly hired employee: the
20 employee's name, address, and social security number, the date
21 services for remuneration were first performed by the employee,
22 ~~the employee's projected monthly wages,~~ and the employer's
23 name, address, Federal Employer Identification Number assigned
24 under Section 6109 of the Internal Revenue Code of 1986, and
25 such other information as may be required by federal law or
26 regulation, provided that each employer may voluntarily file

1 the address to which the employer wants income withholding
2 orders to be mailed, if it is different from the address given
3 on the Federal Employer Identification Number. An employer in
4 Illinois which transmits its reports electronically or
5 magnetically and which also has employees in another state may
6 report all newly hired employees to a single designated state
7 in which the employer has employees if it has so notified the
8 Secretary of the United States Department of Health and Human
9 Services in writing. An employer may, at its option, submit
10 information regarding any rehired employee in the same manner
11 as information is submitted regarding a newly hired employee.
12 Each report required under this subsection shall, to the extent
13 practicable, be made on an Internal Revenue Service Form W-4
14 or, at the option of the employer, an equivalent form, and may
15 be transmitted by first class mail, by telefax, magnetically,
16 or electronically.

17 C. An employer which knowingly fails to comply with the
18 reporting requirements established by this Section shall be
19 subject to a civil penalty of \$15 for each individual whom it
20 fails to report. An employer shall be considered to have
21 knowingly failed to comply with the reporting requirements
22 established by this Section with respect to an individual if
23 the employer has been notified by the Department that it has
24 failed to report an individual, and it fails, without
25 reasonable cause, to supply the required information to the
26 Department within 21 days after the date of mailing of the

1 notice. Any individual who knowingly conspires with the newly
2 hired employee to cause the employer to fail to report the
3 information required by this Section or who knowingly conspires
4 with the newly hired employee to cause the employer to file a
5 false or incomplete report shall be guilty of a Class B
6 misdemeanor with a fine not to exceed \$500 with respect to each
7 employee with whom the individual so conspires.

8 D. As used in this Section, "newly hired employee" means an
9 individual who (i) is an employee within the meaning of Chapter
10 24 of the Internal Revenue Code of 1986 and (ii) either has not
11 previously been employed by the employer or was previously
12 employed by the employer but has been separated from that prior
13 employment for at least 60 consecutive days; however, "newly
14 hired employee" does not include an employee of a federal or
15 State agency performing intelligence or counterintelligence
16 functions, if the head of that agency has determined that the
17 filing of the report required by this Section with respect to
18 the employee could endanger the safety of the employee or
19 compromise an ongoing investigation or intelligence mission.

20 Notwithstanding Section 205, and for the purposes of this
21 Section only, the term "employer" has the meaning given by
22 Section 3401(d) of the Internal Revenue Code of 1986 and
23 includes any governmental entity and labor organization as
24 defined by Section 2(5) of the National Labor Relations Act,
25 and includes any entity (also known as a hiring hall) which is
26 used by the organization and an employer to carry out the

1 requirements described in Section 8(f)(3) of that Act of an
2 agreement between the organization and the employer.

3 (Source: P.A. 97-621, eff. 11-18-11; 97-689, eff. 6-14-12;
4 97-791, eff. 1-1-13; revised 7-23-12.)

5 (820 ILCS 405/1900) (from Ch. 48, par. 640)

6 Sec. 1900. Disclosure of information.

7 A. Except as provided in this Section, information obtained
8 from any individual or employing unit during the administration
9 of this Act shall:

10 1. be confidential,

11 2. not be published or open to public inspection,

12 3. not be used in any court in any pending action or
13 proceeding,

14 4. not be admissible in evidence in any action or
15 proceeding other than one arising out of this Act.

16 B. No finding, determination, decision, ruling or order
17 (including any finding of fact, statement or conclusion made
18 therein) issued pursuant to this Act shall be admissible or
19 used in evidence in any action other than one arising out of
20 this Act, nor shall it be binding or conclusive except as
21 provided in this Act, nor shall it constitute res judicata,
22 regardless of whether the actions were between the same or
23 related parties or involved the same facts.

24 C. Any officer or employee of this State, any officer or
25 employee of any entity authorized to obtain information

1 pursuant to this Section, and any agent of this State or of
2 such entity who, except with authority of the Director under
3 this Section, shall disclose information shall be guilty of a
4 Class B misdemeanor and shall be disqualified from holding any
5 appointment or employment by the State.

6 D. An individual or his duly authorized agent may be
7 supplied with information from records only to the extent
8 necessary for the proper presentation of his claim for benefits
9 or with his existing or prospective rights to benefits.
10 Discretion to disclose this information belongs solely to the
11 Director and is not subject to a release or waiver by the
12 individual. Notwithstanding any other provision to the
13 contrary, an individual or his or her duly authorized agent may
14 be supplied with a statement of the amount of benefits paid to
15 the individual during the 18 months preceding the date of his
16 or her request.

17 E. An employing unit may be furnished with information,
18 only if deemed by the Director as necessary to enable it to
19 fully discharge its obligations or safeguard its rights under
20 the Act. Discretion to disclose this information belongs solely
21 to the Director and is not subject to a release or waiver by
22 the employing unit.

23 F. The Director may furnish any information that he may
24 deem proper to any public officer or public agency of this or
25 any other State or of the federal government dealing with:

- 26 1. the administration of relief,

- 1 2. public assistance,
- 2 3. unemployment compensation,
- 3 4. a system of public employment offices,
- 4 5. wages and hours of employment, or
- 5 6. a public works program.

6 The Director may make available to the Illinois Workers'
7 Compensation Commission information regarding employers for
8 the purpose of verifying the insurance coverage required under
9 the Workers' Compensation Act and Workers' Occupational
10 Diseases Act.

11 G. The Director may disclose information submitted by the
12 State or any of its political subdivisions, municipal
13 corporations, instrumentalities, or school or community
14 college districts, except for information which specifically
15 identifies an individual claimant.

16 H. The Director shall disclose only that information
17 required to be disclosed under Section 303 of the Social
18 Security Act, as amended, including:

19 1. any information required to be given the United
20 States Department of Labor under Section 303(a)(6); and

21 2. the making available upon request to any agency of
22 the United States charged with the administration of public
23 works or assistance through public employment, the name,
24 address, ordinary occupation and employment status of each
25 recipient of unemployment compensation, and a statement of
26 such recipient's right to further compensation under such

- 1 law as required by Section 303(a) (7); and
- 2 3. records to make available to the Railroad Retirement
3 Board as required by Section 303(c) (1); and
- 4 4. information that will assure reasonable cooperation
5 with every agency of the United States charged with the
6 administration of any unemployment compensation law as
7 required by Section 303(c) (2); and
- 8 5. information upon request and on a reimbursable basis
9 to the United States Department of Agriculture and to any
10 State food stamp agency concerning any information
11 required to be furnished by Section 303(d); and
- 12 6. any wage information upon request and on a
13 reimbursable basis to any State or local child support
14 enforcement agency required by Section 303(e); and
- 15 7. any information required under the income
16 eligibility and verification system as required by Section
17 303(f); and
- 18 8. information that might be useful in locating an
19 absent parent or that parent's employer, establishing
20 paternity or establishing, modifying, or enforcing child
21 support orders for the purpose of a child support
22 enforcement program under Title IV of the Social Security
23 Act upon the request of and on a reimbursable basis to the
24 public agency administering the Federal Parent Locator
25 Service as required by Section 303(h); and
- 26 9. information, upon request, to representatives of

1 any federal, State or local governmental public housing
2 agency with respect to individuals who have signed the
3 appropriate consent form approved by the Secretary of
4 Housing and Urban Development and who are applying for or
5 participating in any housing assistance program
6 administered by the United States Department of Housing and
7 Urban Development as required by Section 303(i).

8 I. The Director, upon the request of a public agency of
9 Illinois, of the federal government or of any other state
10 charged with the investigation or enforcement of Section 10-5
11 of the Criminal Code of 1961 (or a similar federal law or
12 similar law of another State), may furnish the public agency
13 information regarding the individual specified in the request
14 as to:

- 15 1. the current or most recent home address of the
16 individual, and
- 17 2. the names and addresses of the individual's
18 employers.

19 J. Nothing in this Section shall be deemed to interfere
20 with the disclosure of certain records as provided for in
21 Section 1706 or with the right to make available to the
22 Internal Revenue Service of the United States Department of the
23 Treasury, or the Department of Revenue of the State of
24 Illinois, information obtained under this Act.

25 K. The Department shall make available to the Illinois
26 Student Assistance Commission, upon request, information in

1 the possession of the Department that may be necessary or
2 useful to the Commission in the collection of defaulted or
3 delinquent student loans which the Commission administers.

4 L. The Department shall make available to the State
5 Employees' Retirement System, the State Universities
6 Retirement System, the Teachers' Retirement System of the State
7 of Illinois, and the Department of Central Management Services,
8 Risk Management Division, upon request, information in the
9 possession of the Department that may be necessary or useful to
10 the System or the Risk Management Division for the purpose of
11 determining whether any recipient of a disability benefit from
12 the System or a workers' compensation benefit from the Risk
13 Management Division is gainfully employed.

14 M. This Section shall be applicable to the information
15 obtained in the administration of the State employment service,
16 except that the Director may publish or release general labor
17 market information and may furnish information that he may deem
18 proper to an individual, public officer or public agency of
19 this or any other State or the federal government (in addition
20 to those public officers or public agencies specified in this
21 Section) as he prescribes by Rule.

22 N. The Director may require such safeguards as he deems
23 proper to insure that information disclosed pursuant to this
24 Section is used only for the purposes set forth in this
25 Section.

26 O. Nothing in this Section prohibits communication with an

1 individual or entity through unencrypted e-mail or other
2 unencrypted electronic means as long as the communication does
3 not contain the individual's or entity's name in combination
4 with any one or more of the individual's or entity's social
5 security number; driver's license or State identification
6 number; account number or credit or debit card number; or any
7 required security code, access code, or password that would
8 permit access to further information pertaining to the
9 individual or entity.

10 P. Within 30 days after the effective date of this
11 amendatory Act of 1993 and annually thereafter, the Department
12 shall provide to the Department of Financial Institutions a
13 list of individuals or entities that, for the most recently
14 completed calendar year, report to the Department as paying
15 wages to workers. The lists shall be deemed confidential and
16 may not be disclosed to any other person.

17 Q. The Director shall make available to an elected federal
18 official the name and address of an individual or entity that
19 is located within the jurisdiction from which the official was
20 elected and that, for the most recently completed calendar
21 year, has reported to the Department as paying wages to
22 workers, where the information will be used in connection with
23 the official duties of the official and the official requests
24 the information in writing, specifying the purposes for which
25 it will be used. For purposes of this subsection, the use of
26 information in connection with the official duties of an

1 official does not include use of the information in connection
2 with the solicitation of contributions or expenditures, in
3 money or in kind, to or on behalf of a candidate for public or
4 political office or a political party or with respect to a
5 public question, as defined in Section 1-3 of the Election
6 Code, or in connection with any commercial solicitation. Any
7 elected federal official who, in submitting a request for
8 information covered by this subsection, knowingly makes a false
9 statement or fails to disclose a material fact, with the intent
10 to obtain the information for a purpose not authorized by this
11 subsection, shall be guilty of a Class B misdemeanor.

12 R. The Director may provide to any State or local child
13 support agency, upon request and on a reimbursable basis,
14 information that might be useful in locating an absent parent
15 or that parent's employer, establishing paternity, or
16 establishing, modifying, or enforcing child support orders.

17 S. The Department shall make available to a State's
18 Attorney of this State or a State's Attorney's investigator,
19 upon request, the current address or, if the current address is
20 unavailable, current employer information, if available, of a
21 victim of a felony or a witness to a felony or a person against
22 whom an arrest warrant is outstanding.

23 T. The Director shall make available to the Department of
24 State Police, a county sheriff's office, or a municipal police
25 department, upon request, any information concerning the
26 current address and place of employment or former places of

1 employment of a person who is required to register as a sex
2 offender under the Sex Offender Registration Act that may be
3 useful in enforcing the registration provisions of that Act.

4 U. (Blank). ~~The Director shall make information available~~
5 ~~to the Department of Healthcare and Family Services and the~~
6 ~~Department of Human Services for the purpose of determining~~
7 ~~eligibility for public benefit programs authorized under the~~
8 ~~Illinois Public Aid Code and related statutes administered by~~
9 ~~those departments, for verifying sources and amounts of income,~~
10 ~~and for other purposes directly connected with the~~
11 ~~administration of those programs.~~

12 (Source: P.A. 96-420, eff. 8-13-09; 97-621, eff. 11-18-11;
13 97-689, eff. 6-14-12.)

14 ARTICLE 99.

15 Section 99-95. Severability. If any provision of this Act
16 or application thereof to any person or circumstance is held
17 invalid, such invalidity does not affect other provisions or
18 applications of this Act which can be given effect without the
19 invalid application or provision, and to this end the
20 provisions of this Act are declared to be severable.

21 Section 99-99. Effective date. This Act takes effect upon
22 becoming law.

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25 410 ILCS 430/3 from Ch. 111 1/2, par. 22.33
26 625 ILCS 5/3-609 from Ch. 95 1/2, par. 3-609

- 1 625 ILCS 5/3-623 from Ch. 95 1/2, par. 3-623
- 2 625 ILCS 5/3-626
- 3 625 ILCS 5/3-667
- 4 625 ILCS 5/3-683
- 5 625 ILCS 5/3-806.3 from Ch. 95 1/2, par. 3-806.3
- 6 625 ILCS 5/11-1301.2 from Ch. 95 1/2, par. 11-1301.2
- 7 720 ILCS 5/17-6.5
- 8 735 ILCS 5/5-105 from Ch. 110, par. 5-105
- 9 820 ILCS 405/1400.2
- 10 820 ILCS 405/1402 from Ch. 48, par. 552
- 11 820 ILCS 405/1404 from Ch. 48, par. 554
- 12 820 ILCS 405/1405 from Ch. 48, par. 555
- 13 820 ILCS 405/1801.1
- 14 820 ILCS 405/1900 from Ch. 48, par. 640